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Albania: Berisha Reports Activities at Crans Montana Forum

AU2506092396 Tirana ATA in English
1014 GMT 23 Jun 96

[FBIS Transcribed Text] Tirana, June 22 (ATA)—President of the Albanian Republic Sali Berisha returned home on June 22 afternoon from the Crans Montana Forum.

During the sessions of this forum, Berisha met with Flavio Cotti, Swiss foreign minister and OSCE [Organization of Security and Cooperation in Europe] chairman-in-office, with Macedonian [Former Yugoslav Republic of Macedonia—FYROM] Premier Crvenkovski, and with the Geneva-based UN Deputy Secretary General Petrovski.

On Saturday morning Berisha had a working meeting with political and figures, who have included Albania in their interests. Later Berisha held an exclusive interview with the TV network Euronews.

At 1140 a special session of the Crans Montana forum was held, devoted to the latest democratic developments in Albania. Its topic was: "Albania towards the future century." The politicians, analysts, reporters, and the businessmen present at the forum showed a great interest in it.

At first Berisha made a presentation of the reforms in Albania during the last four years. Through facts he presented the development of the electoral campaign and elections in Albania. Berisha reiterated in this international forum that the elections in Albania, without denying irregularities, were correct, free and fair within acceptable standards. He assured the participants in the forum that there would be no repetition of the elections in Albania and the mandate won through the free vote on May 26 would be used to consolidate the values of democracy, the rule of law and market economy.

After Berisha's address, various observers, who followed the running of the elections in Albania, provided the conclusions of their observations. The general view in the session was that the elections in the Albanian new parliament had been fair, free, and correct, despite limited irregularities. The withdrawal of the opposition from the elections was considered unjustified and it seemed preconceived.

Albania: Berisha Sends Condolences on Papandreou's Death

AU2506100396 Tirana ATA in English
1849 GMT 23 Jun 96

[FBIS Transcribed Text] Tirana, June 23 (ATA)—The President of the Republic Sali Berisha has sent a message of condolences to Mr. Konstandinos Stefanopoulos, president of the Greek Republic, on the death of the Greek Ex-Premier Andreas Papandreou.

"Please, accept my sincerest condolences on the death of the Former Prime Minister Andreas Papandreou, historic personality of modern Greece.

The Greek people and their friends will remember for a long time the contribution of Premier Papandreou to the consolidation of democracy and to the development of his country.

Please, Mr. President, convey my condolences also to the family of the late [sentence as received]

Albania: Spokesman Discusses U.S. Report on 16 Jun Elections

AU2506084096 Tirana ATA in English
1821 GMT 23 Jun 96

["Press Release"—ATA headline]

[FBIS Transcribed Text] Tirana, June 23 (ATA)—Asked to comment the June 18 statement of the spokesman of the State Department regarding the repetition of elections in 17 constituencies, the spokesman of the Foreign Ministry, as regards the allegation about the inadequate time for the opposition to take part in the June 16 elections, told the ATA reporter that:

—From May 26 until June 13 the left opposition has repeatedly declared that it does not recognise the May 26 elections and that it requires general elections;

—From May 27 until today the left opposition has not filed any complaint or request to the Central Electoral Commission regarding the election process. It has totally boycotted the elections process and the institutions elected by the free vote;

—On June 14, the chief of the U.S. Mission in Tirana together with the chief of the mission of another friendly country informed the Albanian Government that after talks with the opposition leaders, two boycotting parties had agreed to take part in the re-run elections in 17 constituencies and to submit their request for the elections' postponement to the Constitutional Court.

But, contrary to what the two honorable diplomats had told the Albanian Government, the two parties in their June 14 request to the Constitutional Court did not ask the postponement of the elections to have time to participate and organise international monitoring. More over, they did not in any way declare themselves for their participation in these elections. They demanded the ilegalisation of the decision of the Central Electoral

Commission for the vote rerun in 17 constituencies and again declared illegitimate the May 26 elections.

This request, by decision 35, dated June 15, was rejected by the Constitutional Court.

The Central Electoral Commission decided not to repeat the elections but the day of elections because the group of the left opposition parties did not boycott the elections but the day of elections. Thus, the electoral campaign for the 17 constituencies has been longer than any other campaign in the history of the Albanian elections.

As regards the allegation of the spokesman of the State Department that the reason for the repetition of elections were the gross irregularities reported by the international observers in the first round of polls, the spokesman of the Foreign Ministry declared:

"It is true that regarding the elections there have been contradictory reports and that the Central Electoral Commission has found limited irregularities, but, of the 17 constituencies in which elections were repeated, significant irregularities have been found only in one constituency, and suspected irregularities have been found in another constituency, that of 67. While the other 15 constituencies were defined by the Central Electoral Commission for vote rerun not because of serious irregularities but because this commission decided to examine all the complaints of the electoral subjects based on the criterion 'in dubio pro reo,' that is, to recognise as valid for the Socialist Party [PS] candidates all the invalid votes in which the line drawn across the socialist candidate changed in the slightest in form, size or length from the lines drawn across the candidates of the other parties.

The commission's jurists as well as Prof. Kaltefleiter, distinguished German expert in elections, considered this criterion did not stand technically, because these votes under all international standards are invalid.

Concerning the essence of fairness mentioned in the statement of the spokesman of the State Department and the cooperation with the OSCE [Organization for Security and Cooperation in Europe], the spokesman of the Foreign Ministry declares:

—The elections in Albania, despite limited irregularities, according to the Central Electoral Commission have been free and fair. This has been confirmed by the OSCE parliamentary delegation, the British Helsinki Group and other foreign observer groups, and by the Albenians with their very high participation in all the rounds.

The fairness of the elections has been called into question by the communist chiefs, who from fundamentalist positions have decided to totally boycott the electoral process and the rule of law institutions elected by the free vote. It has been called into question by their foreign friends, groups of double status, individuals, who began to manipulate this process before the election day, as well as by extremist ultra nationalist elements connected with them.

The former communist chiefs and their supporters used and are using the permanent boycott of the election process and of the rule of law institutions and especially the boycott of the vote counting first to mask their deep failure, secondly to create open civil conflicts on the streets and squares of Albania, in which they met with complete failure, and thirdly, to penalize and take the country's democracy and stability hostage.

The June 16 elections, themselves, a test of 360,000 of Albanians, in which only 16 per cent of the electorate of these constituencies did not take part, clearly testify to the responsibility and honesty of the Albanian electorate in their reaction to the communist boycott, their organisers and supporters.

On this occasion, the spokesman said, we remind that in the March 1991 elections, which were declared free and fair, the Democratic Party suffered during the campaign the loss 12 people who were killed by the Albanian communist secret police, but it (the Democratic Party) did not boycott the elections.

In conclusion, the spokesman of the Foreign Ministry said that the Albanian Government is and will be open to unconditional dialogue with all the Albanian political forces, as it is and will be open to cooperation with the institutions whose member it is, despite serious remarks it might have regarding the performance of some international institutions. But, it will unhesitatingly reject any attempt by certain individuals or groups which employ the communist boycott of elections to impair the stability, democracy and sovereignty of Albania.

Albania: Washington's Greek Lobby Seen To 'Attack' Berisha

AU2506093396 Tirana ATA in English 1403 GMT 23 Jun 96

["Pro-Greek Lobby Gives Evidence Against Berisha and PD in Washington"—ATA headline]

[FBIS Transcribed Text] [no dateline as received] Isuf Hajrizi (ICK) [Information Center of Kosova] reports from Washington, June 21:

Several circles in the United States continue to launch attacks against President Sali Berisha and the Democratic Party [PD] since the May 26 polls.

In an evidence (the second of this kind within this week) provided to the U.S. Congress on Wednesday [19 June], some of the biggest opponents to the policy of the Albanian president and government in America accuse the president of "flagrant violation of the electoral law" dubbing him "eater of the Albanian people's rights and freedoms" and "ruiner of democracy in Albania."

In the evidence initiated by the democrat Congressman from California, Tom Lantos, testify Nicholas Gage, chairman of the Pan-Epirus Federation in the U.S. for the defence of the rights of the Greek minority in Albania; Bianca Jagger, human rights activist and wife of the renowned rock-n-roller Mick Jagger; Fred Abrahams, human rights adviser in the Human Right Watch/Helsinki; and Gramoz Pashko, founder of the Democratic Alliance Party.

The evidence which, according to a participant, should have been called "Let's attack Berisha to death," was completely unilateral. The round table lacked witnesses to defend the PD and President Berisha. Not because someone of the president's suite would not be allowed to testify in his defence, but because there was no anyone to undertake it. Also, lacking were community members who would oppose the international organisations experts by providing adequate facts.

In this way, the witnesses freely threw stones at the Albanian president, not fearing anyone from the other side to oppose them.

"The continuation of the Sali Berisha regime will ruin any hope of the Albanian people to see a genuine democracy in their own state and will eventually cause the loss of many American lives striving to stop it," Gage threatened.

Grieving for the Greek minority rights in Albania, Gage said that the Berisha government is carrying out "a kind of peaceful ethnic cleansing of the Greek people in Albania."

"For the sake of ethnic harmony in Albania, for the sake of stability in the Southern Balkans, for the sake of the loss of Americans' lives the conflict would cause there, but above all, for the sake of human dignity, I hope you will do everything possible to stop Albania's advance towards autocracy, so that democracy be rooted for the first time in the history of this country, and guarantee the full rights of the Greek minority," Gage urged the president of the Committee of Organising Commission, Lantos.

Gage has been backed up by Congressmen Lantos against the Albanian Government. The congressman from California has himself criticized the policy of the Albanian Government on the eve of the elections concerning the Greek minority in Albania. The main reason hiding behind Lantos's motive on Albania is believed to be the very powerful Greek lobby in America which has included Lantos and others in the congress, as well as Gage's close ties with the most powerful people in the U.S. administration. A month ago, Gage was not allowed to enter Albania as a persona non grata.

Gage was accompanying Congressman Lantos, who, after visiting Greece, crossed into Albania (while Gage was stopped at the border). When coming back to the congress, Gage complained to the secretary of state and his congress colleagues regarding the human rights of the Greek minority people in Albania, not at all mentioning the severe treatment of Albanians in Greece, where they not only are deprived of the minority rights but often have to change their name for the sake of staying in that state.

One of those who presented himself as "a victim of beating" was the Democratic Alliance leader, Gramoz Pashko.

He confessed "police brutality" and of being beaten during the electoral process.

Many activists of the Albanian-American community and American analysts of the Albanian policy hold that the reason for Albania's being attacked so much of late is the lack of a real Albanian lobby in the United States.

Albania: Defense Ministry Delegation Leaves for Romania

AU2506104496 Tirana ATA in English
1255 GMT 24 Jun 96

[FBIS Transcribed Text] Tirana, June 24 (ATA)—A military delegation of the Albanian Defence Ministry headed by the Deputy Defence Minister Luan Lazimi left for Romania yesterday [23 June] to participate at the fourth Conference of International Armed Forces on reforms in armed forces of new democracies in Eastern, Central, and Southeastern Europe.

The conference will be held in Bucharest and is sponsored by Hanns Seidel Foundation.

Defence ministers of Romania and Austria, senior officers of the German Armed Forces, deputy defence ministers of Bulgaria, Poland, and Russia, and other personalities will be present at the conference.

Albania: Army Generals Complete 10-Day Visit to Germany

AU2506103996 Tirana ATA in English 1851 GMT 24 Jun 96

[Report by F. Vladi]

[FBIS Transcribed Text] Tirana, June 24 (ATA)—Albanian generals have successfully ended an intensive 10 day visit to Germany, during which they were familiarized with the experience of the German Army, the Defence Ministry spokesman reported on Monday [24 June].

The visit was part of the joint military agreement between Albania and Germany. The Bundeswehr's activity with the Albanian generals is the first of this kind and serves the reformation and modernisation of the Albanian Army.

The Albanian generals delegation visited the Ministry of Defence in Bonn, to Koblenz in the Interior Command Center, the German Land Forces Leading Staff, and the Command Academy in Hamburg.

The Albanian generals also attended several trainings including the three day command staff training, the fifth tank division in Hasenach and that in the tankers' school in Muenster to see how staff exercises were organised, planned and run and to further enhance professionalism to achieve the NATO army standards.

The working visits of the Albanian generals to Berlin and to the fourth corps in Potsdam were a rich experience for the process of the Albanian Army reformation and modernisation.

In Hamelnburg the Albanian militaries familiarised themselves with a very special activity, the measures taken by Bundeswehr for the training of the Albanian troops, which, in the IFOR [Implementation Force] framework, will join the German troops in the implementation of the peace plan in Bosnia.

The generals also met with the deputy chief of the General Staff, Admiral Franke, as well as with the commander of the German Land Forces Leading Staff.

They also attended the ceremony on the 40th anniversary of the Land Forces Officers School in Hannover, accompanied by German Defence Secretary of State Wichert.

During the meetings the participants expressed support for the victory of the Albanian democratic forces in the May 26 elections and the commitment to further promote relations and cooperation between the Albanian Army and Bundeswehr.

Czech Republic: Czech-German Declaration Ready To Sign

96CH0132B Prague PRAGUE POST in English 5-11 Jun 96 No 23, p 1

[Article by Siegfried Mortkowitz: "Germans: Bilateral Declaration Is Finalized"]

[FBIS Transcribed Text] A leading German politician says that the joint Czech-German declaration aimed at settling disputes arising out of World War II was completed weeks ago and is ready for signing.

Gunter Verheugen, deputy chairman of the opposition Social Democratic (SPD) faction in the German Parliament, told THE PRAGUE POST that the declaration has not been made public to avoid making it an issue at the recent Sudeten German conference and in the Czech elections.

"Both foreign ministries have decided that (the declaration) is ready for signing," Verheugen said. "It has been ready for weeks."

Verheugen based his statement on "excellent sources in both Bonn and Prague in a position to know." He is the first prominent Czech or German politician to go on the record as saying the declaration was in fact ready.

His assertion was supported by Volkmar Gabert, leader of the Seliger Gemeinde, an SPD Sudeten organization. He told the Czech news agency CTK that German Foreign Minister Klaus Kinkel had read a final draft of the declaration's text to leaders of the Sudeten Germans.

Negotiations over the text, which would also touch upon such questions as reparations for Czech victims of Nazism, have been going on for more than a year. According to Verheugen, a text was ready at the beginning of the year, but the German side put forward new demands.

The Czech side continues to deny the existence of a final text, despite mounting evidence to the contrary. Karel Boruvka, deputy director of the Czech Foreign Ministry's press department, denied that the declaration was ready. "The negotiations for a joint declaration are continuing. We...are very optimistic," he said.

Boruvka's denial echoes the public stance of leading politicians, such as Prime Minister Vaclav Klaus and Foreign Minister Josef Zieleniec, who have repeatedly refuted media reports that a text has been finalized.

Verheugen's comments were backed up by Vladimir Handl, of the Prague-based Institute of International Relations. "I have also heard from my sources that the declaration is ready," he said.

Asked why the two governments would want to keep the text secret, Handl said, "It would be very difficult to present a balanced and sensible text in the Czech Republic in the pre-election atmosphere. And it would be very difficult, in the short term, to convince the man in the street—who feels himself under pressure from the Germans—that this kind of text is the solution.

"The Czech people want the Czech government to be firm and clear. They want to have a clear statement. But this declaration will be a compromise. What we would consider a balanced and reasonable paper would never be accepted by Czech voters."

Speeches by German Finance Minister Theo Waigel and Bavarian Premier Edmund Stoiber at the 47th Sudeten German conference in Nuremberg thrust the declaration into the news just when it was fading from the list of top public concerns.

In his May 25 speech to the conference, Waigel, the chairman of the Bavaria-based Christian Social Union (CSU), called on the Czech people to recognize the right of the Sudeten Germans to return to their former homeland, to include the Sudeten Germans in the negotiations for a declaration, and to regard the postwar deportations as a crime. "Such an admission," Waigel said, "would mean that the Czech Republic was moving another step closer to the European legal standard."

Waigel's speech drew sharp condemnation from Czech politicians. "I do not want anyone to instruct us on what the rule of law is," Klaus retorted May 26, advising German politicians to "speak very quietly" about the events of World War II.

As for CSU demands that the Sudetens be included in the negotiations, Verheugen said, "I'm sure (the Sudeten Germans) are better informed about what's in the text than the German Parliament is."

Czech Republic: Free-Trade Agreement With Israel Signed

96CH0126C Prague PRAGUE POST in English No 22, 24 May-4 Jun 96 p 5

[Article by Randi Druzin: "Israelis Sign Free-Trade Pact With Czechs"]

[FBIS Transcribed Text] Despite a number of high-profile defense-export deals with Arab countries, the Czech Republic's first free-trade agreement with a country outside of Europe is with Israel.

The agreement, signed by Czech Minister of Industry and Trade Vladimir Dlouhy and his Israeli counterpart, Micha Harish, could enhance an already favorable trading relationship for the Czech Republic, which posted a $4.4 million (119 million Kc) trade surplus with Israel last year. It also liberalizes trade conditions that were established in a bilateral agreement signed five years ago.

The main aim of the agreement—which takes effect on Jan. 1, 1997—is the gradual liberalization of trade between the two countries over a two-year period. It will focus first on agricultural products and prepared food items such as candies, chocolates, extracts, soups, sauces, beer and liqueurs.

At a news conference that coincided with the May 20 signing, Dlouhy said the agreement shouldn't hurt the Czech Republic's trade relations with the Arab states, many of which remain enemies with Israel.

The agreement comes in an era of particular diplomatic good feeling between Czechs and Israelis. Less than a week before the signing, Prague Castle became the first site outside of Israel for a traveling photo exhibition honoring the life of assassinated Israeli leader Yitzhak Rabin.

For Israel, the agreement is the first such accord with a European country outside of the European Union. Two days after the Czech signing, it concluded a nearly identical agreement with Slovakia.

At the outset, both states will annul import taxes on more than 95 percent of established trade, and on about 80 percent of products not previously traded. This will result in the complete liberalization of trade in chemical products, pharmaceuticals, electrical products, medical equipment, minerals, leather, metal, transportation, paper and glass products, optical equipment, toys and sporting goods.

Import taxes on some products—such as school and office equipment, jewelry and shoes—will be lowered gradually, and will be completely removed by Jan. 1, 1999. Others will be protected until the year 2000.

The Czech Republic will offer Israel preferential treatment when importing flowers and fruit in the winter, and Israel will grant the Czech Republic the same for certain dairy products, margarine and beans.

The agreement stipulates that each country must follow World Trade Organization guidelines on public tenders, offering each other full disclosure of criteria. This has been a sticking point, particularly in the defense arena, where Israeli concerns have been accused of exerting undue influence in the awarding of Czech defense contracts.

Czech trade with Israel amounted to $78.6 million last year, down 6.5 percent from the year before. Czech exports totaled $41.5 million, down 24.3 percent from 1994, and Israeli exports to the Czech Republic were $37.1 million, an increase of 26.3 percent.

Czech Republic: Jordan Planning To Buy Assault Rifles

96CH0132A Prague PRAGUE POST in English 22-28 May 96 No 21, p 7

[Article by Brendan McNally: "Jordan Sets Its Sights on Czech Guns"]

[FBIS Transcribed Text] The problems gunmaker Ceska zbrojovka (CZ) has had with its Lada assault rifle may be over if reports are true that the Jordanian Army is planning a large purchase of the long-planned, long-delayed weapon.

A report of the tentative purchase carried in the Czech-Arab Chamber of Commerce newsletter IMPULSE was quoted by Czech news agency CTK, but officials from the Jordanian Embassy, CZ and IMPULSE would not comment.

Having labored unsuccessfully for more than four years to line up enough customers to warrant starting up production, CZ officials see the order as the key to moving forward.

"In order for it to be cost-effective, we need to have an initial order of at least 100,000 weapons," says CZ technical director Vladimir Mysinsky. "Otherwise, it would be too expensive for our customers."

A descendant of the famous Soviet Kalashnikov, the Lada differs from its Eastern-bloc cousins by using the NATO-standard 9mm round instead of the Warsaw Pact's 7.62mm ammunition. Because the Czechoslovak Army ordered the rifle's development in 1990, CZ had hoped its own country's armed forces would be its first customer. These hopes were dashed in late 1993, however. Army leadership decided that, at least for the time being, the Czech's new Western orientation would not mean switching over to NATO-caliber infantry weapons.

CZ has had a number of other potential customers lined up, mainly small states such as Slovenia, Latvia, Lithuania and Estonia. Even added up, though, their combined order would probably not be enough to start production.

"The little birds fly around, but they never land," said Mysinsky, describing the situation.

While a Jordanian order might be sufficient to ignite production of the Lada, the weapon's future will neither make nor break CZ, one of the few Czech defense manufacturers to thrive under the free market. Unlike most Czech defense contractors, CZ's military production has always been geared toward its own military, rather than toward export. Its big sellers abroad have been handguns and sporting rifles. CZ has always had a reputation for building quality handguns at a reasonable price. They are traditionally the pistols of choice in countries such as Israel and South Africa, where many civilians carry handguns.

The end of government central planning has also allowed CZ both to shed its unprofitable line of aircraft-engine parts and to adopt more cost-efficient production processes. Much of its success is due to the tireless efforts of former general director Miroslav Duda. He has clinched a number of important sales, including a lucrative contract to supply handguns to Turkey's national police force.

Czech Republic: 'Policy Part' of Coalition Agreement

AU2506104696 Prague MLADA FRONTA DNES in Czech 20 Jun 96 p 4

["Agreement by the Civic Democratic Party, Christian Democratic Union-Czechoslovak People's Party, and Civic Democratic Alliance on the Policy Part of the Coalition Treaty"]

[FBIS Translated Text] The aim of this part of the coalition agreement is to outline the new elements in the coalition government's program that are based on a policy consensus among the governing coalition parties. The aim of the text is not a detailed enumeration of the specific measures of future government policy in individual spheres, but an enumeration of the basic priorities. These are also depicted in some cases by reference to more detailed measures, if they are of special significance. This is to provide orientation for a future minister and is not a substitute for his own subsequent conceptual activity in the department entrusted to him or an absolute prearrangement for his future work. Therefore, the classification is deliberately unsystematic inasmuch as it reflects the weight of the individual issues that were the subject of coalition and electoral arguments.

1. Housing

The coalition parties agree on the necessity of helping to increase housing construction and are prepared to provide an increased volume of funds from the state budget for this purpose. Progress will be made by:

—establishing a Support and Guarantee Fund for conducting business in housing construction (measures aimed toward conducting business in housing construction);

—making mortgages more accessible for physical persons to construct apartments or houses or to repair the housing stock (for example, providing guarantees for premortgage credit) and providing subsidies for the infrastructure;

—supporting communities in the construction of rentable socially priority apartments (we do not, however, mean retirement homes and guest houses);

—continuing in the gradual deregulation of rents;

—speeding up the deregulation of rents under the condition of finding a suitable structure for social benefits for housing.

2. Health Care

The coalition parties agree on the necessity of a more fundamental systemic change in health care and, especially, in its financing, which, however, must not mean abandoning the basic guarantees and certainties in the provision of health care. This systemic change must be based on measures on both the supply and demand sides of health care. These measures will include:

—introducing more effective control and regulatory measures on the supply side (state regulation of investment activity; defining precisely the list of services, including the required medical procedure, and step-by-step aggregation—for example, the capitation fee and the fee per hospital bed per day up to the diagnosis fee, accreditation, the categorization of medicines, and supervision of the justifiability of the service and medicine prescribed);

—reducing the number of health insurance companies, improving the inspection system for insurance companies, and improving state supervision of their operation;

—introducing the most suitable methods for financing incentives for patients in the most economical range of health care;

—preparing the merger of sickness benefit and health insurance;

—defining clearly what will remain in state hands and what will acquire a different form of ownership (including the rapid completion of the privatization process in health care).

3. Transportation

The coalition parties agree that, in the subsequent period, it will be necessary to focus the state's attention on two fundamental spheres:

—providing an internationally comparable standard of main transportation thoroughfares (rail corridors, highways, airports) by means of extensive state investment, which will also have the required multiplication effect on domestic industry and construction;

—improving the standard of the public transportation service in outlying areas (including increasing subsidies from public budgets).

4. Agriculture

The coalition parties agree that it is necessary to complete the restitution and transformation processes, that it is necessary to contribute to preserving the natural foundations of country life and to create job opportunities in the countryside, that it is necessary to strive for land conservation and to adhere to ecological courses of action, and, at the same time, that it is necessary to improve the stability of the food market, which was one of the significant factors of dissatisfaction among citizens in the preelection period. It will be necessary to:

—rationalize the functioning of the State Market Regulation Fund;

—rationalize the system for the Village Renewal Program;

—rationalize the activity of the Support and Guarantee Fund;

—rationalize the programs for supporting business activities in the countryside;

—support agriculturists in the mountain regions;

—make more transparent and subject to the law the financial flows coming in various forms from public funds into individual spheres of agricultural enterprise;

—contribute to the settlement of the transformation quotas from the agricultural cooperatives;

—protect Czech agriculture fully from subsidized imports and initiate, in this regard, essential talks abroad.

5. The Economy

The coalition parties agree on the necessity of rapidly completing the transformation processes and also agree on the basic objectives of economic policy, which are monetary stability, reducing the level of inflation, maintaining the growth of the gross domestic product [GDP] to the order of 5 percent per year, and maintaining a low level of unemployment. They also agree on the necessity of continuing the policy of balancing the state budget and reducing taxes and the overall levy burden so that there is a decline in the proportion of expenditure from public budgets in the GDP. Therefore, they are prepared to:

—rationalize the management of state enterprises and take measures facilitating the effective exercising of the state's ownership rights in enterprises of a semistate type or with state participation;

—draft and implement a strategy for completing the privatization of banking and certain strategic industrial enterprises;

—strive to improve the protection of the domestic market (an antidumping and "antisubsidy" law);

—guarantee, within the framework of support for exports, the expansion of the services and financial resources of the EEGAP [Export Guarantee Insurance] and Czech Export Bank;

—take decisive measures against monopoly and cartel tendencies and agreements;

—simplify further and make transparent the conditions for conducting business;

—prevent, in the interest of consumer protection and market quality, the corporativization and syndicalization of our economy;

—prepare a change in inheritance tax and deeds of covenant;

—contribute to greater transparency on the capital market (including separating the investment funds from the banks);

—review the current economic and business legislation;

—change the deduction systems so that they stimulate investment activity.

6. Social Policy

The coalition parties agree on the necessity of perfecting the overall system for the state's social policy, on the need regularly to valorize pensions and the minimum subsistence level, and on the need to maintain a targeted system of social support. They will not return to the discussion on changing the age limit for retirement. In the subsequent period, it will be necessary to focus on:

—simplifying the administration associated with the system for state social support and on harmonizing the whole system;

—finding a reliable system for separating pension insurance from the state budget (while guaranteeing the long-term financability of the pension system without an injection from the state budget);

—tightening supervision of the payment of all kinds of social allowances;

—increasing the role of communities in decisionmaking on social assistance;

—assessing the system of social allowances (with regard to minimizing the resources passing through the state budget);

—developing a competitive environment in social services (by setting conditions for the support of nonstate humanitarian and charitable organizations).

7. State Administration and Self-Administration

The coalition parties agree to continue to implement the territorial-administrative reform of the state, which will mean rationalizing public administration, which will select the optimum level for decentralizing the individual public decisions, and which will respect the natural regional ties within the Czech state. In this context, it will be necessary to:

—conduct a basic duel with the bureaucratic nature of state and local authorities;

—set up regional self-administration (including accompanying legislation) in this electoral term;

—review the jurisdiction of all public administration institutions—from the communities and districts, supradistrict regional self-administration (and state administration), and central bodies—with the aim of achieving further significant progress in deregulating and liberalizing the activities of citizens (and communities);

—prepare, after assessing the current situation, a change in the law on budget rules (with special regard to small communities with small revenues);

—prepare laws on state service and state property and basic civil law codes.

8. The Fight Against Crime and Other Negative Phenomena

The coalition parties are unable to become reconciled with the series of phenomena in our daily lives that the collapse of the totalitarian regime has brought with it in the sphere of crime, organized crime, and drugs. They are ready to:

—toughen the penalties for the culprits of socially extraordinarily serious crimes and repeat offenders;

—speed up criminal proceedings;

—increase the suppression of drug distributors and seek ways of prosecuting others who come into contact with drugs;

—strengthen the position of the injured party and victim of crime;

—initiate, by means of the maximum simplification and transparency of the regulations, a resolute attack on corruption in various offices and institutions;

—conduct the recodification of civil and criminal law;

—simplify the administrative procedure for misdemeanors.

9. Miscellaneous

The coalition parties want to cooperate in resolving a whole series of other issues such as:

—preparing a full stop to restitution. This will contain two elements: concluding the restitution processes, thus introducing stability into ownership relations, and completing the process of alleviating the wrongs of the communist regime by returning some property to churches and religious organizations (in accordance with a supplementary protocol) and, in a more moderate system, by returning some property to societies and legal persons (composed exclusively of legal persons). Physical persons and communities will be excluded from the group of mandatory persons, they will not be given financial compensation for depreciated property and for property that cannot be handed over;

—completely resolving relations between the state and the church;

—fully dealing with education fees and other contentious points of the university law;

—introducing compensation for the essential ecological restriction of economic activities in protected zones and areas.

Czech Republic: CSSD Official Views Privatization Fears

AU2406140596 Prague PRAVO in Czech 18 Jun 96 p 4

[Article by Czech CSSD First Deputy Chairman Karel Machovec: "Privatization and the CSSD"]

[FBIS Translated Text] Something akin to hysteria has erupted in the Czech media recently regarding the approach by the Czech Social Democratic Party [CSSD] to privatization. Social democracy is portrayed as a villain or a brake on successful privatization and a threat to Czech economic development.

However, let us take a closer look at the issue. What, in fact, can the CSSD slow down, when 75 percent of the economy (government figures) is now in private hands and preparations are under way for the abolition of the Ministry for the Administration of National Property and its Privatization as of 1 July 1996?

How effective the ownership structure created by this privatization is or how long its consolidation will yet take is another matter. The so-called problem of absentee ownership in the Czech economy really exists. Nevertheless, first and foremost we would like to emphasize in this context that the CSSD will respect all owners and future investors and will respect fully the changes in ownership made so far, unless they were made by illegal means.

This leaves 25 percent of the economy still in state or partly state hands. We realize here that in essence this concerns 60 major enterprises and four semiprivate commercial banks. So it is possible to divide the part of the economy waiting for privatization into three groups:

—major processing industry enterprises (about 40 enterprises);

—the energy network (16 enterprises);

—four major commercial banks.

In the case of the major processing-industry enterprises, the CSSD is unequivocally in favor of continuing privatization, albeit with the proviso that the priorities are somewhat changed. In these instances, it is necessary to find a trustworthy strategic partner and conclude with him an agreement on the conditions for the privatization and restructuring. This investor should enter into the enterprise by increasing the capital (the enterprise will receive the funds for restructuring). Admittedly, the National Property Fund will not get the funds as has been the practice until now.

Of course, it is possible to ask if there is a real alternative to this course of action. The answer is unequivocal: There is not. Coupon privatization cannot be repeated, and quick sales on credit are risky. The unfinished history of Poldi Kladno necessitates great caution.

In the case of the energy networks (gas and electricity), there is, of course, a major interest in privatization. An enterprise in a dominant or monopoly position can dictate prices, and, so, investments in the purchase of a network are returned very quickly.

One question remains: Why do we need this privatization? For capital? The Czech distribution enterprises already have open access to domestic and foreign credits, so it is not necessary to sell them for the purpose of obtaining capital. Unless, of course, the state is bankrupt, as in Hungary, and is looking desperately for sources of finance. Then it is willing to sell the distribution network to West European state enterprises and pass off the whole process as privatization. Nevertheless, we are convinced that the government will find consensus with the CSSD in this issue. That is, if the government were serious about the sale of the distribution networks, its stance would consequently not in fact differ from that of the Social Democrats.

The situation is similar in the (complete) privatization of the major banks. We are convinced that the governing coalition shares our concerns about the economy's stability in the event of the ill-considered privatization of the commercial banks. The issue does not just involve the fact that the major Czech commercial banks control many Czech businesses as owners but, rather, that Czech businesses are generally very dependent on credits from the banks—not only considerably more than businesses in Western Europe but also than in Hungary and Poland. By selling the controlling parcel in a major commercial bank, the government would not only be selling the bank itself but also controlling over one-fifth of the economy, to say nothing of the fact that experiments with the fragile stability of the banking sector endanger the savings of all of us. To make it possible to carry out the complete privatization of the banking sector, it is first necessary to reduce the dependence of the enterprise sphere on bank credits and to stabilize the entire banking system. Then it is possible to think about complete privatization. Moreover, only banana republics allow foreigners to control the core of the banking sector, and, as a member of the OECD, we do not want to become one of those.

It is obvious from the aforementioned that the campaign against the CSSD in the privatization matter is unwarranted, as in the issue of privatizing the major processing-industry enterprises. The only difference is that in the priorities (increasing the capital and agreements) and in the case of the distribution plants and the major commercial banks, the CSSD is close to the practice so far of the governing coalition. So, as opposed to the majority of the commentators in our newspapers, we think that the hope of achieving consensus with the governing coalition is substantially higher in the privatization matter than in other areas.

Czech Republic: Army Modernization Runs Into Problems

96CH0132C Prague PRAGUE POST in English 5-11 Jun 96 No 23, p 4

[Article by Brendan McNally and Jan Stojaspal: "Army Gaffe Bodes Ill for NATO Bid"]

[FBIS Transcribed Text] The Czech Army's problem-plagued modernization process deepened further with the Ministry of Economic Competition's cancellation of yet another Army Modernization tender. Once again, ministry officials cited a lack of transparency and general shoddiness in Army selection procedures.

Defense Ministry officials downplay the cancellation's significance. But government, industry and Western military sources say the problem is chronic and unless it is solved, aspirations of joining NATO can never be realized.

The Economic Competition Ministry ruled May 10 to cancel the Army's recent order of 1,600 bulletproof jackets worth 30 million Kc ($1.1 million).

"The main reason we canceled the tender was that we couldn't determine whether all bids were judged by the same criteria. Also, most participants did not supply the required qualification documentation such as proper business licenses and clean criminal records," said Vaclav Sedivy, who oversees the ministry's tenders department. "The Defense Ministry grossly underestimated the scope of the necessary preparation for the tender."

The Defense Ministry's response has been noncommittal. In late May, the Defense Ministry issued a statement that it was considering redoing the tender. The Army's acquisition chief, it Sevcik, downplayed the matter, and noted that, of roughly 500 Army acquisitions tenders so far, the competition ministry had canceled just four.

For all the high marks the Czech Army continually receives as the former Warsaw Pact member most likely to enter NATO first, upon closer view, its progress toward that goal is in many respects questionable.

Of all the Army's modernization-acquisition programs, only one, the L-159 aircraft program, is advancing. The rest—the Staff Information System, the T-72 tank upgrade, new fighter acquisition and the air-defense programs—were all either canceled or put on hold indefinitely until after the elections.

But to many, the biggest problem is the lack of transparency still plaguing the budgetary and acquisitions process. For all NATO members, transparency is as much an integral part of the basic philosophy binding them together as are civilian control and democratic government.

In a recent interview, Vladimir Suman, head of the parliamentary defense and security committee, complained, "The defense-budget process isn't clear enough to know where the money is going. When they finally bring in better accounting techniques, we'd be willing to raise the defense budget. But we want to know how the money is being spent."

Four Czech companies competed in the tender for bulletproof vests when it was opened last year. When the winner, Petris, was announced in the fall, the three losing competitors immediately filed complaints.

Roman Christ, an official with the Mars company, one of the losers, called the tender's cancellation "the only correct solution" and said of the process, "It was not objective."

Czech Republic: Difficulties Privatizing Ephedrine Factory

96CH0124A Prague TYDEN in Czech 27 May 96 pp 22-23

[Article by Jan Pergler: "Who Will Control the Roztoky Ephedrine Factory?"]

[FBIS Translated Text] *Despite the fact that Jiri Skalicky, minister for privatization, recently announced that he has deferred the public commercial competition that was to decide the new owner of the ephedrine factory at Roztoky near Prague, the organizer of the tender—the Union Capital Corporation—knows nothing of the ministerial decision. Borek Valvoda, deputy minister of the interior, who is a member of the Selection Commission, moreover confirmed for TYDEN that the selection proceedings are continuing and that the name of the new owner of the factory will most likely be published at the end of this week.*

"No one has notified us officially that the selection proceedings had been interrupted," says Oldrich Jandourek of the Union Capital Corporation. Minister Skalicky justified the temporary halting of the tender proceedings by saying that parliament has not finished debating the government proposal of a law on narcotic and psychotropic substances. This law was to stipulate the rules for manipulating with precursors (starting materials for the production of drugs) and to thus limit the risk that products manufactured by the Roztoky plant will get into the hands of the drug mafia.

The Roztoky plant produces some 8 percent of total world production of ephedrine, which is used in the most varied pharmaceutical preparations, but also in the manufacture of amphetamine drugs, including the best known and most popular Czech psychotropic substance—pervitin. Furthermore, the Roztoky plant ranks among the three most important firms in the world that supply world markets with natural, and thus nonsynthetic, ephedrine. The production of ephedrine accounts for a 30-percent share of the profits earned by the Research Institute for Antibiotics and Biotransformation (VUAB), as this state enterprise is officially called. According to Oldrich Jandourek, the auction price of the factory has been set at 477.96 million korunas, which is almost the identical sum cited in September of last year as the book value of the factory.

Although Minister Skalicky has now referred to a nonexisting law, several months ago—in other words, at a time when the law on narcotics and psychotropic substances had still not been approved by the government—was refusing to halt the privatization of the Roztoky ephedrine plant. The police and members of the BIS [Security Information Service], who deal with drug criminality, uniformly state that Skalicky has now more likely become alarmed by the fact that there has only been one applicant for the competition—namely, the management of the VUAB. This information was indirectly confirmed by one of the members of the Selection Commission. "I have no idea how this information could have seeped out into the public. All those who make decisions regarding privatization are bound to secrecy," he added.

The management of the state enterprise has been confronting a suspicion for more than a year that it was guilty of exporting 18 metric tons of ephedrine without the permission of the Ministry of Public Health. These 18 tons, together with another perhaps 50 tons, reportedly ended up in secret Central American laboratories where they were to be used in the preparation of amphetamine drugs intended for the U.S. market and valued at several billions of dollars. Stanislav Ruzicka, director of the enterprise, told TYDEN: "I proclaim that these exports cannot be considered to be illegal. We were not guilty of committing any fraud. We did not falsify documents, and we did not circumvent any institutions. I admit that some exports actually lacked permission from the Ministry of Public Health, but then no one demanded that we get such permission."

The police, who are handling the case, admit that mistakes were made not only by the management of the enterprise, but also by customs officials who facilitated exports without the necessary permits. For the time being, however, the police have been unsuccessful in proving that a deliberate criminal act was committed. "We shall most likely close our investigation as being a case of negligence, for which the management of the state enterprise, however, is not responsible by law. Perhaps the exports could be qualified as a misdemeanor, except that after more than a year from the time it was committed, it cannot be prosecuted," claims investigator Karel Svozil. The policeman moreover confided that criminal police have been interested in the management of the enterprise for two years now—in other words, since the time the Supreme Auditing Office found certain discrepancies regarding management at the Research Institute. But, according to Lieutenant Svozil, it is most likely that no one will be charged with criminal responsibility for any of them.

Moreover, during the past two years, the antidrug brigade has liquidated more than 50 secret laboratories for the production of pervitin. The police as well as parliamentary delegates uniformly state that anyone can carry ephedrine away from the Roztoky plant, thanks to inadequate security.

Experts in drug suppression were surprised by the fact that they were not approached by anyone from the Ministry for Privatization during the privatization of the ephedrine plant. "We did not learn about the selection proceedings until we read about them in the newspaper. They asked us for information only after suspicious Russian-speaking individuals whose birth dates in the record books were unequivocally fabricated showed up on the grounds of the factory on visiting days," stated one of the experts who, however, did not wish to be identified.

Borek Valvoda, deputy minister of the interior, confirmed that he himself requested all available information in the hands of the police and the BIS as soon as he became a member of the Selection Commission. However, he stressed that on the basis of these reports none of those interested in privatization were rejected. "I would consider it to be unprofessional if I did not have this information at my disposal. The commission is currently considering whether or not to include some conditions in the rules of the competition that would temporarily replace the missing law on narcotic and psychotropic substances," claims Valvoda. According to him, the commission is in an unenviable situation: "We have two possibilities: to proclaim a winner or to abrogate the competition. However, the factory is in financial difficulty and any kind of abrogation of privatization could have far-reaching consequences."

The poor financial situation is also admitted by Stanislav Ruzicka, director of the Roztoky ephedrine plant. In his words, the banks have stopped providing credits for the time being until such time as a winner is declared in the selection proceedings. Ruzicka, in fact, is threatening court action against the National Property Fund if the commission declares a competition winner who will, however, not be in a position to take over the factory until the law on narcotics and psychotropic substances is adopted.

The police judge that the law by itself will not solve anything. According to them, all applicants and particularly their foreign partners should be thoroughly vetted. "The factory could be privatized by a bogus small company, which could be backed up by the drug mafia. Then not even the finest legislative arrangement will prevent the illegal export of ephedrine," organized crime specialists state.

Czech Republic: Plan To Privatize Ralsko Project Revived

96CH0101C Prague PRAGUE POST in English 17-23 Apr 96 p 1

[Article by James Drake: "Government Sleeps as Kurivody High-Tech Business Park Remains a Pipe Dream"]

[FBIS Transcribed Text] It seemed like a cinch: Take an area of near-virgin forest about the size of Liechtenstein with ready-built factory and workshop space, import a supply of willing, cheap labor and bingo! A high-tech business park.

That's not quite the way things have turned out. Ten years after Chernobyl and five years after the Red Army left Bohemian soil, the dead weight of Soviet-style bureaucracy is threatening to quash one of the Czech Republic's most imaginative privatization projects.

Jaroslav Eder, mayor of the municipal area of Ralsko in north Bohemia, where the business park is planned, remains optimistic that there is still enough interest for the project among Czech companies. It entails the conversion of Red Army radar stations, warehouses and mess halls—scattered around the village of Kurivody and the surrounding 170 square kilometers (68 square miles) of forest—into a viable commercial space. He insists that upward of 20 Czech firms—mainly producing electronics and pulp- and paper-based products—plan to set up in the area.

"All they're waiting for is the go-ahead from the Privatization Ministry," Eder said. "(Privatization Minister Jiri) Skalicky says the legal problems will be over within the year ... Mind you, he said that last year, too."

When the Red Army quit its base in Kurivody, the barracks were bought by the Czech government to house 200 Volhynians—ethnic Czechs who were invited to relocate from their home in Ukraine after the Chernobyl disaster. The rest of the property went for a song to a Czech real estate firm, Bergl.

At first, the idea seemed simple and brilliant, said Eder. "Historically, we are at a natural trading crossroads ... it's an obvious place to set up a business."

With a military airfield larger than Frankfurt's airport, there was even the possibility of accommodating heavy commercial air traffic to provide ready access to the lucrative markets of Western Europe.

The Czech government agreed. Even when Bergl went bust five years ago, the Privatization Ministry encouraged the firm's biggest creditor, Investicni a postovni banka, to press ahead with the plan. The bank set up a daughter company, Ralsko Vivor, to handle the project.

"We envisaged offering interested parties three options," said Ralsko Vivor's managing director, Josef Reinisch. "They could buy the buildings outright, or lease them from us. Alternatively, we are interested in setting up joint ventures with Western firms that might want to call on the knowledge and experience of a Czech partner."

Tomas Jezek, then minister of privatization and still the area's member of Parliament, saw the project as a classic example of the profit motive financing a humanitarian initiative.

"(The Volhynians) embody the Czech virtues," he said. "They're conscientious and willing to build something up from nothing. All they need is a chance to prove themselves."

On his trips abroad on government business, Jezek drummed up Western interest in the project, persuading representatives of high-tech computer and fiber-optics companies in Canada and Taiwan to come and tour the area.

"They were very interested," Jezek said. "They talked about setting up factories where they could bring their components to be put together for export." He added that they were particularly attracted by the Czech Republic's low wages.

But the plans quickly ran into a bureaucratic quagmire. While Ralsko Vivor has the deeds to the buildings, the land they stand on remains state property. The Privatization Ministry can't sell off the land until various private restitution claims—90 percent of which the ministry says are fraudulent—have wound their way through the courts.

"The Czech Army acquired the land before 1948 (the starting date for restitution claims), so most of these people have no case," said Reinisch. "But if we have to wait much longer, (the buildings will) only be good for demolition."

Meanwhile, Western interest is waning. "I can still see possibilities, but I think the government has to realize that it (must have) more involvement, at least in the beginning," said Erich Bodner, whose Nuremberg furniture company was interested in exploiting the area's rich timber resources.

He said that after the delay, however, "I think it would now take something special—for example, a tax break that would last for a few years—to persuade people like us to move there."

Helmut Kaiser said his paper-product firm, Dison, plans to buy one of the military buildings in Kurivody and employ about 50 people.

"Yes, we definitely plan to do it, we're just waiting for the bureaucracy to run its course," he said, adding that foreign firms would have committed themselves if the project had gotten off the ground more quickly, but now they'll wait and see how the project develops.

Kaiser said he believes that with minimal government involvement, the project would have been up and running by now.

"If the government, or someone, had put up some money to build the airport, then people would have had an incentive to come here," he said. "I'm sure they'd have gotten their money back eventually, just through the taxes ... and the unemployment benefit they'd have saved by giving people work."

Slovakia: Parliament Approves Role in PFP Exercises

AU2506103196 Bratislava SLOVENSKA REPUBLIKA in Slovak 22 Jun 96 pp 1-2

[Article by Frantisek Raslavsky and Maros Smolec: "Privatization of the Banking Sphere Frozen for Nine Months"]

[FBIS Translated Excerpt] Bratislava—[Passage omitted] Parliament yesterday passed a resolution on the basic aims and principles of the national security of the Slovak Republic. The first part of the resolution contains the basic aims and principles of security, the second characterizes them as a security and political document, and the last expresses agreement with this document. Of the 127 deputies present, 93 endorsed the resolution and eight were against. Defense Minister Jan Sitek then asked parliament to give its consent to the sending of members of the Slovak Army outside the territory of Slovakia this year. Slovak soldiers will participate in joint exercises held within the framework of the Partnership for Peace [PFP] program in the United States and in live combat firing in Bulgaria. Parliament met the minister's request. [passage omitted]

Slovakia: European Parliament Wants To Cancel Aid to Republic

AU2506094196 Bratislava PRAVDA in Slovak 22 Jun 96 pp 1, 21

[Report by CTK: "European Parliament Advocates Cancellation of Aid for the Slovak Republic"]

[FBIS Translated Text] Strasbourg—On Friday [21 June], on the basis of a report by Austrian Deputy Albrecht Konecny, the European Parliament [EP] advocated the cancellation of financial aid for Slovakia. The EU had extended to the Slovak Republic a framework credit of 130 million ECU [European currency units] for the positive direction of the economic reform not to be jeopardized by balance of payments problems. Since 1994, however, the economic situation in the Slovak Republic has improved to such an extent that these problems no longer pose a danger, Konecny said. However, the Slovak Republic's economic success is only one of the reasons for canceling the EU's decision. "Equally important is Slovakia's economic and political position. The present government is not ready to abolish the 10 percent import tax and to change the direction of its privatization policy," the deputy declared. The EP sees its role in supporting the policy of reform in central and eastern Europe. This involves healthy economic structures, a fair, transparent, and future-oriented privatization, and an orderly [usporiadany] economic life. However, all of this is incompatible with the dismissal of the rival management of a large company by force, through police deployment. Besides economic affairs, it is also necessary, in the opinion of the EU, to respect the rights of minorities, the press, and the opposition, Konecny stressed.

Slovakia: Employees Call For Defense Minister's Resignation

AU2406141996 Bratislava SME in Slovak 21 Jun 96 p 3

[Report by "vec": "Jan Sitek Said That the Letter Concerning His Post Has Its Origin in the Secretariat of His State Secretary"]

[FBIS Translated Text] Bratislava—"We appeal to Michal Kovac, president of the Republic, as the supreme commander of the Armed Forces of the Slovak Republic, to consider Mr. Sitek's remaining in the post of defense minister. We are concerned, first and foremost, about the good name of our department. At the same time, we ask that the minister himself reconsider his remaining in the post," reads the concluding part of an open letter addressed yesterday by some civilian employees of the Ministry of Defense of the Slovak Republic to Jan Sitek. They reproach him for his incompetent management. The civilian employees go on to say that "entrusted financial resources are being squandered at the ministry at the expense of improved material provisions for soldiers." In this context, they refer to the purchase of two new passenger cars that cost almost 4 million Slovak korunas and to other vehicles being used primarily by the defense minister's advisers, frequently for other than official purposes. Asked by SME for his comment on the initiative of his employees, Minister Jan Sitek sent us a statement in which he points out that the letter is not signed by specific persons. He considers the letter to be a dangerous precedent of escalation in the politicizing of the Army of the Slovak Republic. "The self-serving, misleading, and in the present social situation completely unfounded accusations of my person contained in the letter, which was issued by a female employee of the Secretariat of the State Secretary at the Ministry of Defense of the Slovak Republic (nominated on behalf of the Movement for a Democratic Slovakia [HZDS]), are in my opinion an attempt at destabilizing the Army of the Slovak Republic. This political pressure and introduction of politics where they do not belong verges on what is legal," states Jan Sitek.

[The Defense Ministry civilian employees' "charges" against Minister Sitek are the subject of a 400-word commentary by Pavol Minarik, entitled "Minister Sitek Is Fair Game," published in Bratislava PRAVDA in

Slovak on 22 June on page four. The commentator points out that the accusations have been publicly raised only now, after the HZDS "fell out" with the Slovak National Party (SNS), of which the defense minister is a member, and views the attacks on Sitek as "indicating that the defense minister has already been designated fair game." Minarik is convinced that if the coalition were not beginning to "burst at the seams," none of the authors of the letter "would have gathered the courage to say publicly about Sitek even 10 percent of what they said now."]

Slovakia: HZDS, Democratic Union Officials Hold Talks

LD2406153796 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1300 GMT 24 Jun 96

[FBIS Translated Excerpt] Officials from the Movement for a Democratic Slovakia [HZDS] and the Democratic Union [DU] met in Bratislava today. They discussed issues concerning their further talks and the views of the two parties on joining the European Union and NATO, early parliamentary elections, and the system of government in Slovakia. [passage omitted]

The participants in the meeting agreed that there was no need for early parliamentary elections.

Speaking about the DU's conditions, DU deputy chairman Roman Kovac named the development of democratic and legal bodies, the restriction of the state's intervention in market economy to the bare minimum, clear pro-European policy and the halting of social deprivation of the population.

Slovakia: HZDS Deputies Deny Voting With Opposition

AU2506102196 Bratislava SLOVENSKA REPUBLIKA in Slovak 22 Jun 96 p 2

[Statement by HZDS MP Dusan Macuska]

[FBIS Translated Text] Some media reported yesterday that I, along with some other Movement for a Democratic Slovakia [HZDS] deputies, supposedly voted for Deputy Ludovit Cernak's proposal to supplement the agenda of the 16th National Council of the Slovak Republic [NRSR] meeting with changes in the composition of the National Property Fund [FNM] Presidium. I stress that neither I nor my colleagues had voted for this proposal. I suppose that a defect occurred in the voting equipment because none of us had inserted the ballot cards. As soon as I found out that there was an erroneous vote, I consulted the matter with deputies L. Novotny and T. Cingel, who confirmed to me that they, too, had not inserted their ballot cards. However, a mobile phone was ringing at that time in the last row, which could have caused the voting equipment to malfunction. It has been proven by experts that active mobile phones jam the voting equipment, which is why their use in the auditorium has been banned.

Slovakia: SDL's Migas Views Coalition Crisis

AU2406153096 Bratislava PRAVDA in Slovak 22 Jun 96 pp 1, 4

[Interview with SDL Chairman Jozef Migas by Martin Krno; place and date not given: "Sobering Up After a Wild Night"]

[FBIS Translated Text] [Krno] Make it clear: Will the Party of the Democratic Left [SDL] enter into a government coalition with the Movement for a Democratic Slovakia [HZDS]?

[Migas] These are only speculations. We abide by the resolution of the Nitra congress. We will pursue the path of an independent left-wing opposition policy.

[Krno] Is the present government coalition really disintegrating, once and for all, or will its partners, after tugs-of-war and mutual blackmailing, ultimately come to an agreement?

[Migas] Every judicious person must see that the coalition is not functioning. It seems that there is no way back.

[Krno] You consider one of the possibilities for overcoming the crisis to be a HZDS minority government enjoying the tacit support of part of the opposition. What are the other realistic options, in your opinion?

[Migas] The HZDS could go into opposition, in which case the question of a new coalition or of a caretaker government would arise. In my opinion, this Republic should finally be granted the experience of allowing the election winner to implement his program and rule until the next parliamentary elections. The constant two-year cycles of changes in power do not benefit Slovakia. I consider it disrespectful toward the voter to end the coalition with a big bang every time the privatization pie falls out of someone's mouth.

[Krno] On Thursday [20 June] you said that the SDL would not form a coalition with the Slovak National Party [SNS] and the Christian Democratic Movement [KDH] either. Does that mean that such an alternative had offered itself?

[Migas] Of course, all kinds of possibilities are being debated. However, we definitely would not join a coalition comprised of those two parties.

[Krno] Does that mean that you would share government responsibility with the other parties?

[Migas] Right now we do not have an ambition to join the government. Our ambition is to seriously prepare for the elections and do well in them.

[Krno] Consequently, tacit support for an HZDS minority government is the most realistic option. Which conditions will you put forward?

[Migas] We will proceed from our political and action program. First and foremost, the democratic law-governed state must function, the process of privatization must assume an equitable character, economic transformation must be socially tolerable, money from the National Property Fund [FNM] must be used to revive production, increase employment, and raise teachers' and physicians' salaries, and enough money must also be found for culture, education, and health care.

[Krno] Prime Minister Meciar said, however, that no one can expect the government to accept a program forced upon it by other parties. Will you find common ground in your programs?

[Migas] In the HZDS electoral program and in the policy statement of the present government, many elements could be found that we have in common. I understand that a party that forms a minority government takes upon itself a certain burden. Our mutual demands should therefore be elaborated in a precisely formulated written agreement. At the roundtable held [on 20 June] at the SDL's initiative, no one declared his desire for early elections. If we want the next elections to be held in 1998, we must clearly say what should happen in those two years and determine the rules of the game. Slovak policy has already experienced several years of bloodletting caused by lordly mannerisms and intrigues plotted in parliamentary and party lobbies.

[Krno] At Thursday's briefing, Vladimir Meciar drew attention to the fact that one post for a National Council of the Slovak Republic [NRSR] deputy chairman is still vacant. Last year's SDL candidate for this post—Lubomir Fogas—has been smiling happily lately. Does this mean that your talks with the HZDS concerned this topic as well?

[Migas] We did not discuss such issues. But when the present government coalition ceases to exist, this will be reflected also in the restructuring of parliamentary bodies. We will be pushing for the proportional system. The Common Choice with its 18 deputies has its own ideas about its representation in the NRSR leadership and in individual NRSR committees.

[Krno] The Social Democratic Party of Slovakia [SDSS] Central Council will meet in a few days, and the Farmers Movement will soon hold its congress. How do you see the prospects for the further existence of the Common Choice parliamentary club? Is it really about to split?

[Migas] The Common Choice will strengthen its positions when the individual parties making it up become stronger and assume a distinct profile. The SDSS, the Farmers Movement, and the Green Party in Slovakia [SZS] are still our closest and strategic partners. The functioning of our eighteen is therefore in our innermost interest. These hectic times show that we ought to take more vigorous steps to improve the quality of our parliamentary club's activity. In the last few days, we have actually been meeting the deputies or chairmen of our coalition partners every morning and evening. We act together on important issues.

[Krno] What was the aim of Robert Fico's proposal [at the 21 June session of parliament] that the debate on reconstructing the FNM be postponed until next Tuesday and the debate on halting the privatization of four financial institutions be moved forward?

[Migas] We considered it to be a matter of principle to pass a law that would lay down the privatization rules—what to privatize, how, and when. The FNM is the entity that will enact this law. First, it is therefore necessary to change the norms so that privatization is subjected to supervision and so that the stealing of national property is halted.

[Krno] But the Association of Workers of Slovakia [ZRS], the SNS, and the KDH have different ideas....

[Migas] We do not want to reorganize the FNM in order to obtain what is left of the privatization pie. Those who had until recently been calling each other names have suddenly formed an alliance to quickly push through such an intention. Those who participated, less than two years ago, in the operation that defied all democratic principles of parliamentarianism should bear full responsibility for their actions, and should not pretend today to be the biggest democrats in the world.

[Krno] The last few days have been reminiscent of the events that preceded the fall of Meciar's second cabinet. Are we going to experience a repetition of the then solution to the government crisis?

[Migas] I am opposed, as a matter of principle, to there being any blue, red, or other revolutions; I am opposed to the balance of power in our country being changed on the basis of someone's failure to obtain Slovenska Poistovna [Slovak Insurance Company]. It is necessary to find a solution that will be compatible with parliamentary democracy. After every wild night, the time comes to sober up. However, it will take more than Alka Seltzer to accomplish that.

Slovakia: SNS Opposes Breakup of Coalition

AU2506080796 Bratislava PRAVDA in Slovak 24 Jun 96 p 2

[Report by "ba": "National Party's Closed Ranks"]

[FBIS Translated Text] Zilina—An extraordinary meeting of the Slovak National Party [SNS] Central Council on Saturday [22 June] vigorously rejected the "unfounded accusations (leveled against the SNS—editor's note) of breaking up the coalition and not observing the coalition agreement." The SNS demands that the Movement for a Democratic Slovakia [HZDS] not continue a policy that is heading toward the coalition's breakup, which could jeopardize the national and state interests of the Slovak Republic.

The SNS Central Council "gave unanimous support to the activity thus far of party chairman Jan Slota, the SNS leadership, and the party's club of deputies in the National Council of the Slovak Republic [NRSR]." It expressed agreement with the activity and work of its ministers and state secretaries. It continues to consider constructive cooperation of the government coalition realistic in the present situation. The Zilina talks of the SNS Central Council rejected HZDS attempts to interfere in the party's policy and internal structures. The chairman of the Velky Krtis SNS District Council did not attend the meeting.

At a subsequent briefing, Jan Slota stressed that the SNS did not violate a single item of the coalition agreement, not even during Prime Minister Vladimir Meciar's illness. Regarding the developments in Slovenska Poistovna [Slovak Insurance Company], the SNS chairman denounced the criminalization of the former management. He cast doubt on the "ridiculous charges" against Defense Minister Jan Sitek. Asked by PRAVDA whether driving the shepherd's hatchet [SNS symbol] into the HZDS steamroller would be to the benefit of the SNS, Jan Slota replied: "Steamroller is one thing and character and pride another. We have made our choice. I claim that, for me, honor, pride, and character come first." Slota labeled the flirting of the Party of the Democratic Left [SDL] with the HZDS as hypocrisy on the part of the left-wing democrats.

After the meeting, SNS Honorary Chairman Jozef Prokes told PRAVDA that someone else was trying to drive the hatchet into the SNS. Accusing the SNS of violating the coalition agreement without furnishing any specific evidence does not testify to the search for cooperation. We were also interested in the opinion of Minister Jan Sitek: "I refuse to communicate with PRAVDA. No comment!" he said, flushed with anger, with his hand casually in the pocket of his pants.

Slovakia: Slota Sees Migas as 'HZDS Member in Disguise'

AU2506092196 Bratislava SME in Slovak 24 Jun 96 p 2

[Interview with SNS Chairman Jan Slota by Igor Stupnan; place and date not given: "There Is One Nonstandard Person Here"]

[FBIS Translated Text] In view of the present tensions in the [government] coalition, we again asked Slovak National Party [SNS] Chairman Jan Slota for an interview.

[Stupnan] You said that the breakup of the present coalition would be a catastrophe for the Slovak Republic. What is in store for the Slovak Republic in the event of a Movement for a Democratic Slovakia [HZDS]-Party of the Democratic Left [SDL] coalition?

[Slota] It is a conglomerate, resulting from the fact that the SDL has detected the smell of property and the chance to improve its position for the next elections, by positioning its own people in the state administration. That is the only factor that determined their transformation. The HZDS, as a movement of the broad spectrum, includes our former protectors and rulers [reference to former Communist Party members], as well as patriots, which are in the minority, however. Those who do not belong to the above groups represent another group. I think that every citizen will form his own opinion about this coexistence, this stew [gulas].

[Stupnan] What would be your recommendation for SDL Chairman Jozef Migas, given your experience from cooperation with Vladimir Meciar?

[Slota] Mr. Migas was always close to the prime minister and I assume that, even now, he is very close to him. It is quite possible that the prime minister has found another partner, one who is, more or less, an HZDS member in disguise.

[Stupnan] Will you raise the issue of the Penal Code amendment [which has been returned to parliament by President Kovac] in the National Council of the Slovak Republic? How do you view in retrospect the SNS vote on the [ratification of the] treaty with Hungary?

[Slota] There was an agreement between the coalition partners that the Penal Code amendment and the other conditions to which he tied our support for the ratification of the treaty with Hungary would be one package. Since the law on territorial and administrative arrangement has not been submitted to the current NRSR meeting either, we are not going to submit the Penal Code amendment now. We realize that, had the HZDS canceled the coalition agreement, the treaty would have been ratified even without the SNS. Nonetheless, the SNS will have to bear the consequences of this enormous concession.

[Stupnan] Do you not think that the HZDS seized the case of Slovenska Poistovna [Slovak Insurance Company] as an appropriate moment to improve its image abroad by getting rid of the nonstandard parties SNS and Association of Workers of Slovakia [ZRS]?

[Slota] Based on the signals that I have, also from abroad, I think that what is nonstandard here is one person, rather than those political parties.

[Stupnan] According to Milan Knazko [Democratic Union deputy chairman], the prime minister's working method is the lie. What is your experience in this regard?

[Slota] I would not be honest if I said that I do not have this experience.

Slovakia: Slota Says Meciar's Departure Would Solve Crisis

AU2406162196 Bratislava SME in Slovak 22 Jun 96 p 1

[Interview with SNS Chairman Jan Slota by Jana Pankovcinova and Peter Toth; place and date not given: "According to Slota, Prime Minister Meciar's Departure Would Solve Coalition Problems"]

[FBIS Translated Text] In conjunction with tensions in the government coalition, we asked Slovak National Party [SNS] Chairman Jan Slota for an interview.

[SME] Would you support an amendment to the law on the Slovak Information Service [SIS] that would return to the president the power to appoint the SIS director, at the recommendation of the National Council of the Slovak Republic [NRSR]?

[Slota] Definitely.

[SME] Would you support Ivan Lexa's dismissal from the post of SIS director?

[Slota] It is premature to speak about this now. It must first become clear whether the coalition is functional or not.

[SME] Would a change in the post of prime minister solve the coalition problems?

[Slota] I am convinced it would.

[SME] How should this change come about?

[Slota] The election results would be respected, there would only be a change in the post of prime minister. If anyone else from the Movement for a Democratic Slovakia [HZDS] became prime minister, it would be good.

[SME] Which solutions will you propose to today's meeting of the SNS Central Council in Zilina?

[Slota] The solutions are limited. If the entire Common Choice teams up with the HZDS, we all can count to 76. [sentence as published] The die is cast.

[SME] Do you consider realistic the prospect of the SDL pushing you in the NRSR out of the coalition?

[Slota] It is a fairly realistic prospect.

[SME] You often said that the government coalition would hold out at least four years....

[Slota] We went into the coalition with certain ideas and firmly believed that these ideas would be materialized in practical policy. Unfortunately, after less than two years, our view has become more turbid.

[SME] Is it true that Vladimir Meciar was organizing opposition against you within the SNS and that he offered [SNS MP] Vitazoslav Moric the post of minister of transportation?

[Slota] I would not speak about any names. But I think that such activities existed.

[SME] Is Vladimir Meciar able to break up your party?

[Slota] Today's meeting of the SNS Central Council will give a clear reply to this, in my opinion. The prime minister was lying when he claimed that the party leadership does not have the districts' support.

Hungary: Keleti on NATO Integration, Ties to Romania

AU2406195496 Bucharest EVENIMENTUL ZILEI in Romanian 19 Jun 96 p 2

["Exclusive" interview with Hungarian Defense Minister Gyorgy Keleti by Doru Dragomir; place and date not given: "We Do Not Want To Wait for Another Country If NATO Gives Us the Chance To Join"]

[FBIS Translated Text] Given the political and military situation in central and eastern Europe, we asked Hungarian Minister of Defense Gyorgy Keleti to answer a few questions regarding the military relations between Romania and Hungary and the position that his country will take if it joins NATO before us. We thank Mr. Keleti for his kindness in answering our questions. Here is the exclusive interview that he granted to the daily EVENIMENTUL ZILEI.

[Dragomir] How do you think Romanian-Hungarian military relations will develop if Hungary joins NATO before Romania? In that event, what will be Hungary's position towards Romania's intention to integrate into the structures of the North Atlantic alliance?

[Keleti] It is in Hungary's interest that its neighbors become NATO members because this would lead to increased stability in the region, and, therefore, we support the integration efforts of the countries neighboring us, including Romania. Likewise, it is obvious that NATO has the exclusive right to decide on issues connected with NATO expansion, including the issue of the order of membership, and not countries that are candidates. As far as we are concerned, we do not wish Hungary's membership to be linked to that of another country.

If NATO offers another country in the region the chance to join before Hungary, we do not expect that country to refuse to join until Hungary is also accepted. On the other hand, we do not wish to wait for another country if NATO gives us the chance to join.

In the event—in a certain situation—that Hungary will enter NATO before Romania, our position regarding Romania's aspiration to join will stay unchanged. We will continue to support Romania's aspirations to join NATO, because our interests regarding our neighbors' entry into NATO will be the same if Hungary becomes a member first. We are ready to assume the political engagement, in our capacity as a NATO member, that Hungary will not oppose Romania's entry if it fulfills the membership requirements.

[Dragomir] What do you think were the criteria that led to choosing Hungarian military bases for the IFOR [Implementation Force] operation in Bosnia-Herzegovina, and what are Hungary's advantages as a result of accepting the presence of NATO troops on its territory?

[Keleti] Regarding the choice of Hungary for IFOR bases, the decision belonged to the respective countries on the basis of the Hungarian Parliament's approval. The major criteria were sites close to the border and the presence of an adequate infrastructure (military facilities, the road and railroad networks, and telecommunication facilities).

Considering that Hungary is not a NATO member country, we insisted that the IFOR troops stationed in Hungary should have a UN mandate. It was essential that we accepted onto our territory, within IFOR, not only troops from NATO members, but also from a number of partner countries outside the alliance and that we assured all of them optimal conditions for crossing Hungarian territory.

In reaching this decision, we took into consideration the fact that it is very important for Hungary to have peace at its borders. The IFOR troops are capable of implementing peace, and thus they make it possible for us to develop relations with the states that have succeeded the former Yugoslavia. This is extremely important for us, taking into account the fact that the embargo caused serious damage to Hungary.

Regarding the future, we believe that the presence of IFOR troops in Hungary is an advantage because, in this way, we can gain useful experience of achieving practical forms of cooperation at a higher level than through cooperation within the Partnership for Peace.

[Dragomir] How do you think military relations in central and eastern Europe will develop if the communists win the elections in Russia?

[Keleti] I do not wish to make predictions regarding the Russian elections; however, I believe that their results will not have a fundemental influence on military relations in central and eastern Europe. The countries in the region are continuing to take measure aimed at strengthening mutual confidence. Russia has a place and a role of major importance in the European security system, and, therefore, the measures to strengthen mutual confidence also serve Russia's interests. Hence, I am counting on the active participation of that country in taking the aforementioned measures.

Attention will continue to focus on the expansion of European and Euro-Atlantic institutions. No doubt, Russia accepts the fact that this is an irreversible process. I count on the wisdom of the Russian policy and primarily on the recognition of the fact that a friendly and cooperative attitude with its closer or more distant neighbors will serve Russia's interests far more than any concealed or open threat.

[Dragomir] This year, you are going to pay an official visit to Romania at the invitation of Romanian Defense Minister Gheorghe Tinca. What issues do you wish to approach during the talks? Will any military cooperation accord be signed?

[Keleti] My meetings with Mr. Gheorghe Tinca have become systematic in the past two years, and we have succeeded in laying the foundation for a very good cooperation. Our meetings and the talks that we held recently in Ukraine have developed along the same lines. When I visit Romania, we will exchange opinions on the issue of regional security policy, the peace process in the ex-Yugoslav area, and our countries' integration efforts, and we will also review the current aspects of bilateral cooperation. We will probably sign a declaration of intent on the care of military cemeteries and graves, as well as—if the proposed accord will progress at an appropriate pace—a bilateral accord on confidentiality (the protection of exchanged data and information), that is, on enhancing confidence.

[Dragomir] What does the installation of the "hot line" between Budapest and Bucharest mean for you?

[Keleti] There has been a direct link between the Ministries of Defense in Hungary and Romania since the beginning of May, and this makes it possible for us to discuss any problems that might emerge suddenly and to solve any problems of a technical nature quickly.

Hungary: National Bank Head Views Foreign Debt Situation

AU2406153496 Budapest MAGYAR NEMZET in Hungarian 24 Jun 96 p 8

[Interview with Hungarian National Bank Chairman Gyorgy Suranyi by Pal Molnar; place and date not given: "The Foreign Currency Reserve Is Not Oversized—Suranyi on Avoiding the Debt Trap, Our Creditworthiness, and the Interest Burdens of Taxpayers"]

[FBIS Translated Excerpt] [Passage omitted] [Molnar] We hear various figures regarding the size of the foreign currency reserve: One can hear about $12 billion, $10.8 billion, and even $8 billion.

[Suranyi] There is no contradiction. The size of the reserve changes. At the beginning of the year, it was $11.9 billion due to the fact that more than $3 billion of privatization income had come in in December. Since then our debt and reserve policy has been such that we have repaid our obligations, spent more than $1.2 billion on the early repayment of debts, and we have only taken on one loan. As a result, the foreign currency reserves stand at $8.8 billion at the moment. This is adequate. In countries with balanced economies, the reserves can finance six, seven, or more months of imports. In our case, this level of between $8 and 9 billion means a safe cover for imports as the country's monthly import bill is between $1.3 and 1.5 billion. [passage omitted]

[Molnar] It is questionable how big the difference is between the interest on the loans taken on by the central bank and on the loans issued by it.

[Suranyi] If we had not done anything, this difference would have been 1.5 to 2 percent in 1995, 1994, and 1993. However, a number of things happened in 1995 and at the beginning of 1996. One was that, naturally, we have an active debt management policy and we do covering deals. We managed to get a good income from swapping the currency types of debts and from the interest cover, the so-called derivative deals resulting from these. Due to these, the cost of the reserve was much lower than the mentioned 1.5 to 2 percent. What is much more important, however, due to the correct level of the foreign currency reserves and the OECD membership, the interest surcharge paid on foreign loans has decreased significantly. While we paid 2.5 to 3 percent more compared to the standard interest rate in 1993 and 1994, in 1996, in the only transaction of the year so far, the interest surcharge fell below 1 percent. This is a huge difference. In this way, the cost of the borrowing is below 1 percent, so lending is not necessarily costly. In the case of an economy with stable foreign currency reserves and a stable foreign position, the interest surcharges are lowered. This is well reflected by the fact that two credit institutions revalued Hungary a few months ago, which means that they raised the securities issued by the Hungarian central bank to the investor category, meaning that we got investment-grade rating from a London-based and a U.S. institution. In other words, the interest surcharge we have to pay is a magnitude lower than a year ago. For many, many years, the Hungarian National Bank has not been able to act on the money market in such a way as to express that it does not directly need foreign resources. [passage omitted]

[Molnar] Does this mean that the fear that, due to the high reserves, the Hungarian taxpayers have unnecessary burdens amounting to 10 billion forints is completely unfounded?

[Suranyi] I would like someone to show me this calculation, because I believe that this assumption is completely unprofessional and dilettante. If we accept that a foreign currency reserve equivalent to six to seven months of imports provides a safe and stable background—and this is supported by all professional approaches—then we can see that we are not above this level at all. [passage omitted]

[Molnar] Many people believe that the only way to finance the burdens of the enormous debt accumulated over the past decades is through significant economic growth....

[Suranyi] The debt stock is not insignificant, but it would be an exaggeration to call it enormous.

[Molnar] A baby that will be born tomorrow will owe $3,000 or $2,000 to foreign creditors, depending on whether we take the gross or net debt as a basis. This is rather depressing.

[Suranyi] Let me begin by saying that the Hungarian economy's net debt stock is $15.8 billion at the moment....

[Molnar] When in the late 1980's then Prime Minister Karoly Grosz revealed the level of the debt for the first time, he mentioned $16.7 billion. Debts tend to increase....

[Suranyi] The debt stock did increase rather massively between 1992 and 1994. However, it very significantly decreased, by more than $2 billion in 1995 and the net debt stock decreased by another $1 billion in the first four months of this year. The 1991 level was somewhat lower than the current $15.8 billion, but then it started to grow. It also has to be known that the state sector's foreign debt has decreased to $10 billion. This is the burden affecting the taxpayers. The rest is private debts, namely loans taken on by companies and banks. In addition to the $15.8 billion net debt, it has to be mentioned that Hungary's total income from exports, services, and tourism will reach $17 to 18 billion this year. Comparing this with the 1989 situation: The net debt was at about the same level then, too, but the income did not reach $8 billion. This shows that we can grow out of our debts; the conditions are there for this. In the past three years, the export growth rate has been double figure; mainly industry's exports have been increasing.... Let me note that one could also examine why we have been able to attract the largest amount of working capital in the region, far more than Poland, the Czech Republic, Slovakia, and Slovenia together.

[Molnar] Could it be that Bela Kadar [former foreign trade minister] introduced import liberalization in the early 1990's?

[Suranyi] Import liberalization was started by the Nemeth government in 1989, and, after the change of the regime, in 1990 and 1991, the Antall government and Bela Kadar completed it, very correctly. Introducing liberalization in trade, prices, and wages was a good policy. This, along with the many institutional reforms—which were implemented at the turn of the 1980's and 1990's, especially in 1991 and 1992—contributed to the fact that an environment was set up in the Hungarian economy that created suitable conditions for attracting foreign capital. In addition to this, it is important that Hungarian society, the people, seem to have an expressly positive attitude to foreign investments. [passage omitted]

B-H: Presidency Holds Session, Focuses on Brcko Arbitration

AU2406182996 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 24 Jun 96

[FBIS Translated Text] The Presidency of the Republic of Bosnia-Herzegovina held a session today that was chaired by Presidency President Alija Izetbegovic. Assessing the current situation regarding the Brcko arbitrage, the Presidency called on the responsible body and international institutions to designate without delay the arbiter for the settlement of this issue.

The Presidency also decided to appeal to the International War Crimes Tribunal in The Hague to speed up the investigation into a genocide committed in Brcko, and (?coordinate) legal actions against those responsible for this crime.

The Presidency decided to proclaim 11 July a memorial day. This decision was made on the occasion of the anniversary of large-scale massacres committed against civilians in the Drina River basin, particularly in Srebrenica and Zepa. The central commemoration will be held in Sarajevo, while a mass rally will take place in Tuzla, which will be addressed by a member of the Presidency.

At the same time, this day will be the memorial day of all civilian victims of the aggression against Bosnia-Herzegovina.

With regard to financing and improvement of staff level in republican institutions engaged in culture, science, and information, particularly Radio-Television of Bosnia-Herzegovina, the Presidency recalls its decision requiring the government of the Republic of Bosnia-Herzegovina to settle their statuses as soon as possible, and to assist the financing of these institutions. At today's session the Presidency accepted the appointments of new Turkish and Australian ambassadors to our country, and also designated our ambassador to the Kingdom of Sweden, Izet Serdarevic, as a nonresidential ambassador of the Republic of Bosnia-Herzegovina to Estonia, Latvia, and Lithuania.

B-H: FM Prlic Interviewed on Prospects for Federation

AU2206193396 Belgrade VREME in Serbo-Croatian 15 Jun 96 pp 22-24

[Interview with Jadranko Prlic, minister of foreign affairs of Bosnia-Herzegovina, by Radenko Udovicic; place and date not given: "Sarajevo—A Bigger Problem Than Pale"]

[FBIS Translated Excerpt] [Passage omitted] [Udovicic] At the latest talks in Geneva, it was agreed that one state delegation from Bosnia-Herzegovina would go to Belgrade. On what level will this delegation be, and what will the talks be about?

[Prlic] The composition of our delegation is still not known. It most likely will not be at a very high level since we have no diplomatic relations. The talks will be about the establishment of economic relations with the FRY, in the first place, about potential economic aspects of mutual cooperation.

[Udovicic] Will this visit expedite the establishment of diplomatic relations? Offices in Belgrade and Sarajevo were about to be opened a few months ago, but nothing came of that. What's the problem?

[Prlic] Not only were we ready to open offices, but I offered to open embassies. As we speak, I am ready, as minister of foreign affairs of Bosnia-Herzegovina, to establish diplomatic relations, bearing in mind that we are ready to establish diplomatic relations without preconditions. However, the Yugoslav side is imposing certain preconditions or, to use different words, it is waiting for the elections in Bosnia-Herzegovina in order to avoid any possible objections from the Serb Republic or from a part of its own public. At least that is my explanation.

Realizing that was the situation, I asked that offices be opened or that we try to find a third country to perform consular work for our citizens on our behalf, because there are some citizens of Bosnia-Herzegovina who are currently on the territory of Yugoslavia, and vice versa. However, despite the general compliance, we have still not succeeded in bringing about any potential agreement [sentence as published].

[Udovicic] What are the conditions of the Yugoslav side?

[Prlic] There are three conditions: first, to recognize the continuity of Yugoslavia. As far as the name is concerned, we have nothing against it. At least that is my standpoint, as far as I have power in this government, and I do have certain power as a Croat official. We do not want to be in their way over anything that is not in our way. We support building good relations, and there will be good relations very soon. So continuity is acceptable where the name is concerned because we believe that all four, or all five states which have been created on the territory of former Yugoslavia, are the successors of the common state.

The second condition imposed by the FRY was for us to drop the charges against Yugoslavia before the Hague tribunal. And the third condition, or rather the element (maybe the word condition is too strong) would be the exchange of territories between the FRY and the

Republic of Croatia and Bosnia-Herzegovina, which we, of course, rejected. We are ready to establish diplomatic relations immediately, and later, as all sovereign states, to regulate those relations.

[Udovicic] You have expressed your hope that relations between the two countries will soon be very good. Does that mean the FRY will give up its conditions or that a compromise will be found?

[Prlic] Both.

[Udovicic] You were recently in Banja Luka, where you spoke with Rajko Kasagic, removed prime minister of the Serb Republic.

[Prlic, laughing] I hope that is not the reason he was removed.

[Udovicic] At that time he said you represented Bosnia-Herzegovina and that you could help. By saying that, he thought you could help the Serb entity. What does that relate to?

[Prlic] I exclusively want to be foreign minister of all citizens of Bosnia-Herzegovina. True, in the cadre crossword for this post, I was chosen because I am a Croat, but there is nothing I would not do for someone else. So I am absolutely willing, and my attitude in all talks, both with the World Bank and the EU, was that they must deal with the entire territory of Bosnia-Herzegovina. On the other hand, it was my proposal (which was later accepted at the session of the Contact Group in Moscow) that the question of political conditions in the use of international help must be introduced. I am still ready, as minister of foreign affairs, to help the Serb Republic in every aspect. The representatives of the Serb Republic have the right to use our diplomatic and consular offices when they come to Bosnia-Herzegovina. True, the diplomatic and consular offices do not correspond to the national structure. They have been almost entirely filled by employees of Muslim nationality. There are no Croats in them, either. There is even a paradoxical situation for you readers in Belgrade that at this moment there are more ambassadors of Serb than of Croat nationality: two Serbs to one Croat. [passage omitted]

[Udovicic] Herzeg-Bosnia should have ceased to exist at the beginning of the year. It still exists. Does that mean the federation does not exist? The condition was that the federation would start functioning, then Herzeg-Bosnia would disappear?

[Prlic] Every love affair takes two. Croats are a constituent nation, and in their rights they do not want to be below the Bosniak people in Bosnia-Herzegovina. They are for the federation, since that has been signed, and Croats will implement the agreements that have been signed. But they will not allow that agreement to be changed to their disadvantage.

Quite simply, we have to realize that when we talk about Bosnia- Herzegovina, the only way for it to survive as a state is if harmonious relations are built between the three constituent nations. Do not forget one thing: Nobody in Bosnia-Herzegovina—I mean no nation—is strong enough to impose itself on the others. And nobody in Bosnia-Herzegovina is so weak as to be subordinate to anybody. We must always keep that formula in mind when we are trying to solve the questions which arise in Bosnia-Herzegovina.

[Udovicic] I ask you not as minister of foreign affairs but as a man who was involved in the political events in this state throughout the war, why can't the federation start fully functioning?

[Prlic] To a great extent, it was because there was no final solution in Bosnia-Herzegovina. When it became final, the federation moved much faster, and the implementation is going faster. We have to remember that it is a very complex state that consists of 10 little states, where every district [zupanija] or canton, depending on the language you speak, is a state. The police force, the health system, the education system, are all on the canton level. The federation has a very complex legal system. Croats often object that Muslims intend to use the federation as a means to achieve their own goals. Croats will not allow any "majorization" ["majorizacija"], and they will fight for the realization of their rights. They are protected both by the Constitution of Bosnia-Herzegovina from Dayton and the constitution of the federation; but it does not have to be particularly stressed that law is only one aspect of the problem and that one has to fight for every right in this region. Objectively said: Croats fear "majorization."

[Udovicic] Who wants to carry out "majorization?" Is it the Party of Democratic Action [SDA], only some individuals, or maybe the civil opposition?

[Prlic] That civil opposition, which functions to a certain extent, is not a very strong force, and it often tells stories which are pleasant to the ear of the international community. However, those are things which are, for example, applicable in the United States or some other place, because the United States has a different history than we have. People simply do not realize that Bosnia-Herzegovina can only exist as a state with three constituent nations. Civil parties may unconsciously succumb to those utopias, but they are not a big political force. [passage omitted]

[Udovicic] Who makes the key decisions in how the Foreign Affairs Ministry operates? Is it the presidency or the government? How much initiative do you have?

[Prlic] I am in the process of mastering power. My status is rather good when it comes to the public and the ministry. When it comes to the network, it is mostly uninational. [sentence as published] It changes very slowly. I am not satisfied with that at all. But we have significantly improved procedures and offices, and everything else has been raised to a higher level. There are still some places of parallel decisionmaking, the so-called bypasses, but I believe we are in the process of establishing the ministry as it should be. Of course, it will not be like that so long as the third people are not completely included in the functioning of Bosnia-Herzegovina as a state. [passage omitted]

[Udovicic] Do you believe elections should be held even if the conditions are not completely fulfilled?

[Prlic] Absolutely. I have held that opinion from the very beginning. Elections are necessary to fill this legal void, because nobody knows which constitution is in effect in Bosnia-Herzegovina. Everybody is right. Everybody uses what suits them. Elections are needed in order to have a consistent system and to get three persons in the presidency of Bosnia-Herzegovina, the state parliament, new structures of power in the Serb Republic and the federation, and to be able to start functioning at full capacity. Elections are important if we wish to implement the Dayton agreement. [passage omitted]

[Udovicic] It is quite certain that Radovan Karadzic will not be in the elections. His place should formally be taken by Biljana Plavsic. Carl Bildt's office is still not sure whether to accept her legitimacy. What is your opinion?

[Prlic] It is basically a matter of the way the replacement was made. Is it formal, essential, or only appearance? In that respect, there probably are some doubts at Bildt's office. As far as the Foreign Affairs Ministry is concerned, it is an internal issue. The Serb Republic is an integral part of Bosnia-Herzegovina. I am the minister of foreign affairs of all Bosnia-Herzegovina, or at least that is what I should be. My opinion is as follows: We should have contact with everybody who is chosen by bodies that are competent on a particular territory. I should not choose for the Serbs who their authorities will be, nor should the Serbs from the Serb Republic choose who will be in power in a particular canton or in the federation as a whole. Of course, it is preferable that they be individuals who are prepared to cooperate and who can understand one another, but I cannot choose the president of another state. Clearly, those who stand accused of war crimes cannot perform public functions. Everyone else can. I cannot say whether I personally like someone or not. It is my diplomatic right to contact all individuals who have certain responsibilities.

[Udovicic] The elections in Mostar will take place on 30 June.

[Prlic] Mostar is a test for all Bosnia-Herzegovina. Mostar is the last multiethnic city in Bosnia-Herzegovina. That is the basic paradox of this war. Nowhere in Bosnia-Herzegovina is there a city with a minority population greater than 20 percent.

[Udovicic] Yes, but it is a divided city.

[Prlic] Yes, that is a precondition of guarantee. [sentence as published]. Mostar is the last multiethnic city. In Sarajevo—I don't know exactly—no more than 10 or 15 percent of the population is non-Muslim. Maybe the percentage is bigger in Tuzla, but in all other cities it is well below 10 percent. And then we say they have the same rights! Does that mean a city with 3 percent of some other population is a multiethnic city? Conflicts broke out in areas where there were approximately equal numbers of members of different nations. Mostar is a very important test in that respect.

[Udovicic] Do you think Serbs will return to Mostar?

[Prlic] Conditions and opportunities for return should be created for everybody. It is our duty to create conditions for everybody, and when they reach their property, they can decide what to do. It is their private decision what to do with that house or flat. But we must create those conditions for everyone, and that is very hard. Very few people share my opinion. We have a situation where the central power organs in Sarajevo and others are manipulating tenancy rights. They all talk about human rights, yet they work rather differently when it comes to concrete situations. I believe everyone must be allowed to return to their home. Without that, there can be no real end to this war.

[Udovicic] If the federation of Bosniaks and Croats, despite all efforts, fails to function, do the Croat people have another plan?

[Prlic] The Croat people have their leadership, their strength, and a large number of people who are ready to consider all processes. Therefore, the Croat leadership will always be able to reach an optimal solution.

[Udovicic] Finally, do you think Bosnia-Herzegovina is moving toward a kind of reintegration or toward dissolution?

[Prlic] Right now, both are possible. If we conducted a survey right now, disintegration would be more certain than anything else. However, if certain positive processes continue, and if strategy is changed concerning the policy conducted in Sarajevo, I believe integration is a more certain process. I believe that when it comes to integration, the Serb Republic is not as big a problem as is shown to the public.

B-H: Ganic Blames Croats for Lack of Federation Progress

AU2406110696 Split SLOBODNA DALMACIJA in Serbo-Croatian 20 Jun 96 p 10

[Interview with Dr. Ejup Ganic, vice president of the Federation of Bosnia-Herzegovina, by Zdravka Soldic; place and date not given: "The Croatian Side Does Not Stick to the Agreements!"]

[FBIS Translated Text] In the last two months, or more specifically, since the signing of the Sarajevo agreement, Ejup Ganic, vice president of the Federation of Bosnia-Herzegovina, has been more and more frequently accused by his party colleagues of going it alone and having signed "bad agreements" for the Bosniaks with the Croatian partners. At the last session of the Federal Assembly, many SDA [Party of Democratic Action] members criticized Zubak and Ganic for the slow implementation of the Federation, calling on the Assembly to express its view on removing them.

Other signs that the SDA wants to remove Ganic are the articles, published in the media controlled by that party, in which he is made responsible for failures in the realization of the Federation, "sympathies for Zubak," and "big concessions made to the Croats...."

Apart from that, Ganic has started to rebuild the villa allocated for his use by the Bosnia-Herzegovina Presidency. This has made him the number one topic of all the Sarajevo media.

[Soldic] Mr. Ganic, the reconstruction of the villa allocated to you by the Republic of Bosnia-Herzegovina Presidency has drawn fierce criticism from the local media. Was that a good move for you personally and for your party at this election time?

[Ganic] First, it is not just any villa. Second, I am rebuilding it with my own money, and in Sarajevo, and not in Pale. I am an influential man, but I neither want nor intend to suppress the fierce criticism of the local media. I have mainly been attacked by the press from the Bosniak camp that is linked to certain political parties, personalities, and interests. I am rebuilding the house at the time of the election campaign, and I do not hide that, because I do not want to pretend to be some better Ganic. I do what I want to do and when I want to, because I am the same Ganic who has been conducting the same policy for six years straight. The people can judge to what extent honesty, skill, and honor are constant in my policy.

Relations With Zubak

[Soldic] It is clear that conditions are being created within the SDA for your removal as vice president of the Federation. The speculation is that Edhem Bicakcic, who has often disputed the agreements you have been signing with the Croatian partners, stands behind it?

[Ganic] I have correct relations with Bicakcic. Everything else is speculation.

[Soldic] Can you tell us what is in dispute regarding the Defense Law? We have been waiting quite a time for it to be adopted. According to President Zubak, while everything was agreed in Washington and Geneva, the agreement that you also signed is now not being respected.

[Ganic] What I signed in Washington is not disputable, and the Bosniak side accepts that. The problem appeared subsequently, the question of the competence of the civilian command over the army at two levels, that is, the relations between the Presidency of the Republic of Bosnia-Herzegovina and the Presidency of the Federation, as the supreme command over the armed forces.

[Soldic] One often hears that you and President Zubak communicate by exchanging open letters, although your offices are located next to each other?

[Ganic] That is not true. I meet with Kreso five to six times a day when he is in Sarajevo. We have no problems in communication or in our personal relations. The future of Bosnia-Herzegovina is the subject of our discussions.

[Soldic] At what level of development does the Federation project stand now?

[Ganic] The human rights situation is not good. Refugees are not returning. There is no wish for cooperation at the local level, and so on. The international community thinks that the Croatian side bears the most responsibility for that.

[Soldic] Why have many of the agreements reached so far not been realized. What is the basic reason?

[Ganic] The basic reason lies with the Croatian side, which does not realize its obligations. That is pointed out by the neutral international community. Where the HVO [Croatian Defense Council] is in control, the things that have been agreed and signed, or decisions made together by the political leadership, are not realized or are only being realized with difficulty. The international community knows exactly who is inhibiting the quicker, more successful, and more concrete implementation of the Federation.

Confidence With Statistics

[Soldic] Why is there no improvement regarding the return of displaced persons and refugees? It is difficult not to draw the conclusion that there is a lack of good will on both sides in dealing with that issue.

[Ganic] My strategic objective is—everybody should go back to his own place. On "our side" everybody must return to his own place, even if everything is devastated and burnt down. There is a possibility to quantify things in an exact manner, mathematically. One can make a precise statistical analysis of who has returned where, and how many people have returned to their property. Using the power of figures, because one cannot doubt only figures, whereas words can be manipulated the way one wants to manipulate them, this data will show how much one has done.

[Soldic] What is your opinion about the "imposed" elections in Bosnia-Herzegovina in such conditions?

[Ganic] In order to achieve the minimum conditions to hold more or less correct elections throughout the whole Republic of Bosnia-Herzegovina, the conditions for holding the elections must be unfailingly, energetically, and thoroughly corrected.

[Soldic] What are possible moves?

[Ganic] If Karadzic and Mladic are removed before the elections, it is possible that the elections will yield positive results.

[Soldic] Will Ejup Ganic be on the SDA list, and if so, at what level?

[Ganic] It will be known.

[Soldic] Where will the SDA call the displaced persons and refugees to vote? According to the 1991 census, or according to the new place of residence in Bosnia-Herzegovina?

[Ganic] The 1991 census is the only criterion. Those who can return to their homes will vote there. The diaspora will probably vote by mail, or in some other way, but only according to the 1991 electoral lists, that is, according to the census of the same year.

Bosniaks With SDA

[Soldic] Mr. Silajdzic is often accused of breaking the unity of the Bosniak national corps. What do you think about that argument?

[Ganic] If his party organizes promotions and election conventions in Bijeljina, Grude, on Sokolac, the argument about his breaking the Bosniak political and national corps will be diminished.

[Soldic] Whom do you see as the SDA's most dangerous opponent in the approaching elections? In your opinion, how many votes will the SDA win?

[Ganic] I have no time to deal with election forecasts. Nevertheless, I think that the majority of Bosniaks will stay with the SDA.

[Soldic] What do you think was your biggest political success and your biggest failure in the past six years of political involvement?

[Ganic] Bosnia-Herzegovina has survived within its internationally recognized borders. If I have contributed to that in any way, and I believe I have, than I consider that to be my greatest success. Regarding failures, I regret having failed to convince the Serbs to try to live in equality, without starting a war, and to not destroy the cultural and historical entity of Bosnia-Herzegovina.

B-H: Senior Croat Officials View Muslim 'Tactics'

LD2306181796 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1600 GMT 23 Jun 96

[FBIS Translated Excerpt] The decision by the Presidential Council of the Croat Republic of Herzeg-Bosnia to reshuffle and scale down Herzeg-Bosnia's government was reached in the interest of implementing the Dayton agreement and as a step forward in the process of transferring power to relevant ministries in the government of the Bosnia-Herzegovina Federation. [Bosnian Foreign Minister] Jadranko Prlic, [Federation Defense Minister] Vladimir Soljic, and Bozo Rajic [chairman of the Croatian Democratic Union in Bosnia] told journalists this today. [passage omitted]

[Begin recording] [Unidentified correspondent] Here is what was said about the strategy and tactics used by the Muslim side and the international community:

[Rajic] A possible package dismissal of Messrs. [Federation President Kresimir] Zubak and [Federation Vice President Ejup] Ganic is an attempt ostensibly to sacrifice Ganic, while the real target of the attack is Mr. Zubak, as the president of the federation and most senior representative in the federation of the Croat people in Bosnia-Herzegovina.

[Correspondent] Mr. Rajic said why this is so:

[Rajic] The Bosniak [Muslim] side never approached the project of the federation as the ultimate goal, which is what we, on behalf of the Croat people and the Croatian Democratic Union, said on countless occasions: The federation is the ultimate political goal for the Croats in Bosnia-Herzegovina, which of course fits in with the overall process of reintegrating Bosnia-Herzegovina according to the principles the international community set out in Dayton. [passage omitted: Soljic on the defense law]

[Correspondent] How is the process of transferring powers from the Republic of Bosnia-Herzegovina to the federation progressing? What about the number of Croats in the [Bosnian] diplomatic service? What is happening to the federal police and the civilian command in the army? These were some of the journalists' questions. Here are the answers, Mr. Bozo Rajic first:

[Rajic] The Bosniak side is raising serious obstructions in that area. Instead of weakening the position of the Republic of Bosnia-Herzegovina and gradually transferring its powers to the federation, we have seen some steps which clearly indicate the intention to strengthen the republic's institutions. We should definitely cite in this context the unconstitutional setting up of the Agency for Research and Documentation, which in fact appears as a force above society. It is unconstitutional, a force above society and with its composition—the agency is a conglomeration of personnel, equipment, and powers—it confuses and intimidates the people who may find themselves in the focus of the agency's interest.

[Prlic] In connection with that we are continuing to exert pressure to resolve that issue as soon as possible. Despite that we managed to improve the current situation in the [interior] ministry itself. Two deputies are from the ranks of the Croat people, and they are already working. Many Croats have been employed, but not enough to enable us to say that a balance has been reached.

It is impossible to have a state with 40,000 policemen, which is what we have in Bosnia-Herzegovina now. It makes it not only a party state, but also a police state. Without friendly pressure, the international police and the consistent implementation of the agreement from Petersburg, which specifies the number of policemen, their uniform, and the overall pace of establishing the police force in grand-counties and in the federation, it would be completely unrealistic to expect the federal police system and the interior ministry on the whole to work. I expect a considerable improvement in the situation by September this year. We cannot expect refugees and displaced persons to return to their homes unless this part of the agreement is implemented.

[Soljic] The Bosnian side is worst hit by decisions from Dayton referring to that [the law on federation's defense]. Under the Dayton agreement, there is no army of Bosnia-Herzegovina; there are two armies, and within the second army—the federation's army—there are two components. The army of one entity cannot cross over to the other entity. In this situation they are trying to turn this law [on defense] into a republican law to create a better position for resolving the problem of defense in a completely different way. [passage omitted] [end recording]

B-H: Muslims Leaving Isolated Gorazde Enclave for Sarajevo

LD2206211696 Belgrade SRNA in Serbo-Croatian 2000 GMT 22 Jun 96

[FBIS Translated Excerpt] Gorazde, 22 June (SRNA)—A magnet called Sarajevo is proving too attractive for Gorazde Muslims and this is being confirmed by convoys bursting with people milling towards the city on the River Miljacka.

According to reliable reports, around 18,000 people remain in Gorazde, which had a population of 33,000 in January 1996.

Considering that most of the remaining are trying to secure their transfer, soon only the last Muslim Mohicans will probably inhabit the town.

Despite firm directives from the leadership of the Party of Democratic Action [Stranka Demokratske Akcije—SDA] and Izetbegovic's promise to build "a fortress on the River Drina," the Muslims of Gorazde do not believe in miracles and they are trying to get a ticket for Sarajevo in time.

This has particularly been the case since the Muslim side decided to abandon plans to repair the high-power transmission line linking Visegard, Serb Gorazde, and Srbinje [Foca] and plans to secure the water supply from Cajnice. There is also the problem of constructing a usable road in the corridor to Sarajevo which goes through some of the roughest mountainous terrains. [passage omitted]

B-H: Government Stresses Importance of 'Radio Free Elections'

AU2206144096 Sarajevo OSLOBODJENJE (Bosnian) in Serbo-Croatian 22 Jun 96 p 3

[BH PRESS report: "Radio 'Free Elections'"]

[FBIS Translated Excerpt] Sarajevo—At its session on Friday, which was presided over by Hasan Muratovic, the Government of the Republic of Bosnia-Herzegovina discussed several issues concerning international cooperation, finances, and administration. [passage omitted]

Regarding the OSCE's [Organization for Security and Cooperation in Europe] request for the registration of Radio Free Elections, the government stressed the importance of such a radio station for the coming elections in Bosnia-Herzegovina, and concluded that it was necessary that the relationship between the founder and the relevant state organs be regulated with an agreement that will be discussed at one of the future sessions. [passage omitted]

B-H: SDA Official Criticizes OSCE's Election TV Spots

AU2206195996 Belgrade BETA in Serbo-Croatian 1448 GMT 22 Jun 96

[FBIS Translated Text] Sarajevo, 22 Jun (BETA)—Halid Genjac, head of the Main Committee of the Party of Democratic Action (SDA), has raised objections to the content of the television spots in which the OSCE [Organization for Security and Cooperation in Europe] and other international players are appealing to the citizens of Bosnia-Herzegovina to vote at the upcoming elections.

"These spots portray an idyllic picture of Bosnia-Herzegovina, giving the impression that the life in the country is normal. This could put off a large number of voters from voting in the elections because reality is completely the opposite," Genjac said at a news conference.

As ONASA reports, he said that it "would be better for the OSCE to spend the money on the creation of technical preconditions for the Bosniak refugees to cast their vote than on the spots."

Genjac said that the "refugees abroad are being asked to register in the electoral rolls within a very short period of time, to fill in all the complicated forms, and to pay for transportation to the places where OSCE missions are located."

"Many of them cannot to do that. Owing to the complicated procedure, the electorate of the most numerous nation in Bosnia-Herzegovina could become significantly smaller," Genjac said.

B-H: Mostar Mayor Criticizes EU on Refugee Voting Abroad

AU2406154196 Belgrade BETA in Serbo-Croatian 1148 GMT 24 Jun 96

[FBIS Translated Text] Sarajevo, 24 Jun (BETA)—Safet Orucevic, mayor of the east part of Mostar, which is under Muslim control, has warned the EU that it has done nothing for the Mostar refugees to cast their vote on 30 June.

"The EU is obviously not interested in voting abroad and in the arrival of our citizens," ONASA reports citing Orucevic.

He said that the addresses of places where Mostar refugees will vote in Oslo, Stockholm, Bonn, and Bern are still not known.

The authorities in the east part of Mostar will do everything to organize transportation and to secure safe arrival of refugees and the exiled to take part in the 30 June elections.

B-H: Delegation of Serb Refugees Visits Mostar

LD2306092796 Belgrade TANJUG Domestic Service in Serbo-Croatian 0808 GMT 23 Jun 96

[FBIS Translated Excerpt] Belgrade, 23 Jun (TANJUG)—Mostar is definitely divided between the Muslims and the Croats, and the possibility of the return of 40,000 Serbs does not exist for the moment, Milorad Muratovic, president of the association in charge of assisting refugees and displaced persons in the Federal Republic of Yugoslavia [FRY], said today after a visit to the city that lasted several days. [passage omitted]

He recalled that the aim of the visit was to reestablish contacts between families separated for four years, to assess conditions for the return of around 20,000 Serbs living temporarily in the FRY to Mostar, to investigate ways of compensating them for their property, and to examine the possibility of [Serb] refugees in the FRY voting in the forthcoming Mostar elections.

A delegation of refugees consisting of 10 Serbs—among them Radmilo Andric, former mayor of Mostar and deputy in the parliament of the Socialist Federative Republic of Yugoslavia—visited only the Muslim part of Mostar [east Mostar]. They held talks with representatives of the EU administration and the Muslim authorities.

The Croat side did not want to join the talks nor did it allow the delegation from Belgrade to visit the right bank of the River Neretva [Croat-controlled west Mostar]. Mijo Brajkovic, the mayor of the Croat part of Mostar, met the delegation on the last day of the visit, but only in a private. [passage omitted]

During the talks with Ricard Perez Casado [EU administrator of Mostar], the delegation pointed out that the Serbs had not left Mostar voluntarily, as the Muslims and the Croats claim. This is why the delegation asked Casado not to discriminate against the Serbs in the elections.

Unfortunately, the delegation's request that polling stations be organized in Belgrade and Podgorica—since transport to Mostar has not been organized—was rejected.

However, Casado said that "it would be good to get involved and be present on the scene because the EU would like to see the Serbs in Mostar." [passage omitted]

As well as other citizens, Safet Orucevic, mayor of the Muslim part of the town, received the Serb delegation, too. "They were interested to hear what things in Yugoslavia were like and could not believe that all refugees lived freely. They believe that the Croats and the Muslims here are harassed and sacked from their jobs," Muratovic said.

During the Serb delegation's visit, Haris Silajdzic, former prime minister in the Muslim [Bosnian] government, and Mirko Pejanovic, member of the Bosnian presidency and chairman of the Serb Civic Council arrived in Mostar and wanted to talk to the members of the delegation. The delegation, however, did not accept this as it wished to avoid adding a political dimension to the visit, Muratovic said.

B-H: Life in Sarajevo Examined; Slow Recovery Criticized

AU2406164796 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 24 Jun 96

[Commentary by Mehmedalija Sisic—recorded]

[FBIS Translated Text] After all the suffering, killing and destruction, Sarajevo and its citizens by no means deserve the life that they are living now—without the promised reconstruction, without employment, without salaries, and frequently without perspective. There are many different reasons why this is so, but there are few valid justifications. At the political level, people say, Sarajevo is the key to everything in Bosnia-Herzegovina, so one goes, without analysis, from one extreme situation to another. First, people were being intimidated that [words indistinct] to leave the suburbs, and when they left, guided by the ideas of their warlords, a real problem [word indistinct] has remained [word indistinct]. It is said that Sarajevo will be a [word indistinct] if all the 20,000 Serbs do not return. From this logic follows that sees people only as numbers, objects, or containers. Of course, people have the right to return to their homes, and more ought to be done to ensure their security. However, since there are many Serbs living and working in Sarajevo anyway, who did so even at the time of the Serb aggression, along with the other citizens who remained in the city, I wonder who is neglecting them and why? Such an open initiative calling for the return of all Serbs but without insisting on these two groups facing each other, prolongs the existence of a vacuum [vakum] and provides further arguments for some individuals, encouraging them to continue to attack and to rob people in Sarajevo's suburbs. As though this city is made up of percentages of this or that people, rather than of a civilized or a noncivilized way of life, work, or behavior, and as though a destructive attitude dominates it, rather than a patriotic spirit. Thus, Sarajevo—or more precisely the Sarajevans—are being condemned. Aid for the start up of production and the repair of destroyed houses is arriving slowly or is not arriving at all. Only bars are working well, but, for any serious repair of houses, not even a final list of the war damage has been drawn up yet. More serious analyses by workers and experts, who always hunger for politics, reveal a strange opinion; an insistence that there can be no real economy, for the most part based on private initiative, without those who fled abroad and, consequently, no recovery or reconstruction. Even foreign television stations believe in such and similar opinions, so they appear to be very concerned about the fate of Sarajevo, which is now said to be home to only 10 percent of native Sarajevans. If this is so, who defended and eventually preserved Sarajevo? All such would-be, one-sided arguments, taken out of the context of the history and truth about the creation of the heroism, glory, and pride of this city, only harm Sarajevans, rather than benefit them. Even when some unsuitable moves by the city authorities sometimes [words indistinct], this city, which has been open to all friends for centuries, and, in view of the current life in it, has not deserved such a treatment. On the contrary, Sarajevans are aware of this, and hopefully, all others will come to understand this as well.

B-H: Radio Discusses 'Dramatic' Situation in Sarajevo

LD2406194196 Tuzla Radio Tuzla in Serbo Croatian 1400 GMT 24 Jun 96

[FBIS Translated Text] Is Sarajevo going to be defeated in peace? This question is being asked now, after the latest events in reintegrated Sarajevo. The question is not out of place. The situation in the Bosnia-Herzegovina capital is dramatic. After lifting the modern brigands' siege, which lasted over a thousand days, Sarajevo is now being threatened from inside.

There is intimidation, violence, and calculated thefts on one side and silence from these who should speak, warn, and take measures on the other. Ibrahim Prohic:

[Prohic] Not much time is left for appropriate reactions. It is difficult to make up for every lost day. If the unleashed and uncontrolled evil forces come into full swing, if they become the dominant characteristics of the social order, if a mentality foreign to Sarajevo and Bosnian tradition takes the upper hand, it could be the final defeat of a universal idea and of centuries that have been built upon it in this region.

In a recent interview by the international community ambassador, Michael Steiner, to the Sarajevo OSLOBODJENJE, his basic emotions were shame and disappointment over the situation in Sarajevo. Neither of these are everyday emotions of politicians. The ambassador's words express sincere regret that the situation is as it is. Another question is why those who should be ashamed before Steiner is, are not. This is also a warning to be read in time and answered.

How do those who are expected to answer, do so? President Izetbegovic recently spoke on Zuc [hill near Sarajevo] about what makes us different from them [Serbs]. He talked about tolerance, openness, and multiethnic sensibility.

The Serb Civic Council of Bosnia-Herzegovina is demanding that the Bosnia-Herzegovina authorities and the international community take immediate measures to safeguard security of the personal and property of the remaining Serb population in the reintegrated areas of Sarajevo. It lists the numbers of Serbs beaten up in the last month and incidents of intimidation and forceful eviction.

To whom are the president's words addressed? The situation with the apartments and the resettlement of displaced Bosniaks in Sarajevo suburbs is threatening to perpetuate the prevailing state of affairs.

Sarajevo has ceased to be the window of multhiethnicity. Is an absurd situation going to be created, a situation in which people who resisted chetnik shelling for four years will defeat themselves?

What Karadzic did to ensure that Serbs would not stay in Sarajevo is common knowledge. Is this now a delayed approval of his uncivilized statement about how different nations cannot live together?

At this very moment, multiculture is no longer an academic, not even a moral issue. The issue is whether Sarajevo and Bosnia will survive at all. Killing multiethinicity at its center was the aggressor's strategic aim. The Sava river, the Drina river, and the Una river are all Bosnia, but Sarajevo is its heart and that is why it must be immediately and resolutely saved.

No one has the right to silence, not the authorities, nor the political parties, not the intellectuals, nor the Reis. Otherwise, we will all pay a high price for this silence.

B-H: Mass Grave Near Sarajevo Yields 47 Bodies

AU2406192496 Paris AFP in English
1914 GMT 24 Jun 96

[FBIS Transcribed Text] Sarajevo, June 24 (AFP)—Bosnian forensic and judicial experts on Monday exhumed 47 bodies from the biggest mass grave excavated so far in the Sarajevo area.

The experts, accompanied by a US forensic anthropologist, William Haglund, of the Hague-based International Criminal Tribunal for ex-Yugoslavia, began digging Monday morning in the hamlet of Ravne, some 70 kilometres (45 miles) northeast of Sarajevo.

Haglund is the first Hague expert present at excavations close to Sarajevo.

The grave contained the decomposed remains of Moslem men killed by the rebel Bosnian Serbs on 14 June 1992.

According to the survivors, 55 Moslem men from the village of Ahatovici in the northwestern outskirts of Sarajevo were taken into a bus that June day, allegedly in order to be transported somewhere for exchange.

But instead of reaching an exchange point, the bus unexpectedly stopped in the vicinity of the Moslem village of Ravne, some 60 kilometres (35 miles) away from Ahatovici.

Ravne was close to the then confrontation line and is now just a couple of hundred metres (yards) away from Serb-held territory.

Immediately after the Serb guards and driver left the bus, rocket and machinegun fire hit the bus.

The firing lasted for 15 minutes and 47 out of the 55 passengers were killed. The remaining eight escaped to nearby Ravne.

Several days after the incident the villagers of Ravne crossed the confrontation line at dawn to recuperate the bodies that were left in the bus and bury them in the village in a mass grave.

According to Muhidin Niksic, a Sarajevo judge leading the team, the exhumed bodies were taken to Visoko, 40 kilometres (25 miles) northwest of Sarajevo, for identification after which they will be reburied.

B-H: Croatian President's Appearance in Medjugorje Rebuked

AU2406200796 Sarajevo OSLOBODJENJE (Bosnian) in Serbo-Croatián 24 Jun 96 p 2

[Commentary by Jelena Lovric: "At Home in Someone Else's House"]

[FBIS Translated Text] Just as [Croatian] Foreign Minister Mate Granic was again promising to implement the Dayton accord before Europe, the head of the state refuted him, clearly showing his aspirations regarding Bosnia-Herzegovina.

On Friday, Granic was visited by the ambassadors of the Contact Group countries and Italy. They handed him a message from Florence, where the heads of the EU held a summit. Croatia was conveyed the "real concern over the reports that the government of the so-called Herzeg-Bosnia has been reactivated." European leaders consider this to be violation of the Dayton agreement and demand that Zagreb intervene with the Herzegovina Croats immediately. Although, according to the statement carried by HINA, Granic made remarks about "some obstruction by the Croat side," he assured the EU that Croatia would implement the Dayton agreement resolutely and consistently.

Croatia's presence at the concert in Medjugorje, however, shows that the restoration of the Herzeg-Bosnia government is not an excess or a mistake, but a logical move by the ruling party in Zagreb. The musical megaspectacle was held in Mary's Shrine in Medjugorje on Friday [21 June]. Its high standard was confirmed by the list of performers, led by the tenor of international repute, Jose Carreras. The musical part was of international standard, but the concert had a political message.

The concert was a demonstration of official Zagreb's attitudes toward the sovereign Bosnia-Herzegovina. The entire setting of this music event treated Medjugorje as a part of Croatia. The spectacle was sponsored by Croatian banks and companies. The concert was shown to the world by Croatian Television, which showed that part of Herzegovina in the introductory film as a Croatian landscape, as if it was Dubrovnik or Zagreb, for instance. Half of the Croatian assembly went to Medjugorje, and the event was the reason to interrupt a regular assembly session.

The concert was also attended by Croatian President Franjo Tudjman, who behaved as if he was at home. Surrounded by his men, as if he was going to Zagorje or Dalmatia, he did not acknowledge in any way that he was in a foreign country and not his own. Without respect for the regulations customary in situations where a head of country visits another country, he, of course, did not contact Sarajevo.

The Croatian president was accompanied by Croatian Defense Minster Gojko Susak, Kresimir Zubak [president of the Bosnia-Herzegovina Federation], and Jadranko Prlic [foreign minister of Bosnia-Herzegovina], whose car license plates were recently removed by the Austrian police. Although he is the foreign minister of Bosnia-Herzegovina, Prlic visited Austria with a car bearing the license plate of Herzeg-Bosnia, which should have vanished according to the Dayton agreement. Well-informed sources claim that he is traveling the world with a Croatian passport.

At the reception after the concert, Tudjman acted as the host. Addressing a message to those who are lecturing Croatia in Europe, he said: "What is this, if not Europe?" He behaved as if he was in his own country. One could not concluded in any way that Medjugorje was in Bosnia-Herzegovina. It looked as if it was part of Croatia in every respect.

If aspirations toward someone else's land represent a casus belli, then the concert, which was held under the banner of "A Message of Peace From Medjugorje," in fact turned itself into a message of war.

B-H: Tudjman's 'Playacting' in Medjugorje 'No Coincidence'

LD2406173996 Belgrade TANJUG in English 1718 GMT 24 Jun 96

[FBIS Transcribed Text] Sarajevo, June 24 (TANJUG)—The presence of Croatian President Franjo Tudjman at Friday's peace concert in Medjugorje, Western Herzegovina, without the knowledge of Sarajevo, is interpreted here as an indication that he views this part of Bosnia-Herzegovina as a part of Croatia.

Sarajevo analysts warned on Monday that Tudjman's presence in Medjugorje "is proof more of sympathy for Western Herzegovina and the Croats living there." Sarajevo paper OSLOBODJENJE said that in Medjugorje Tudjman "acted more as the host, rather than a guest at a concert held in the territory of another state."

OSLOBODJENJE said that Tudjman's "strutting about Medjugorje and Siroki Brijeg" proves that the talk about "Bosnia's independence is a mockery."

The paper said that Tudjman has been allowed to achieve unique military standing in the world: to be the commander of the Croatian Army and the Croatian Defense Council (HVO—Bosnian Croat armed formations).

Analysts believe that the playacting in Medjugorje was no coincidence because this was where all decisions made by the Croatian Democratic Union (HDZ) were defined as the political will of the Bosnian Croats.

Tudjman's visit to Medjugorje and the setting up in mid-June 1996 of the new government of the Croatian Republic of Herzeg-Bosnia (declared in July 1992), will additionally disrupt the already unstable relations within the Muslim-Croat Federation in Bosnia, observers in Sarajevo said.

B-H: SDA of Croatia Condemns Tudjman's Visit to Medjugorje

AU2406164696 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 24 Jun 96

[FBIS Translated Text] The Party of Democratic Action [SDA] of Croatia has severely condemned the visit by Croatian President Tudjman to Medjugorje, which took place without any prior consultations with the legal Government of Bosnia-Herzegovina.

Semso Tankovic, the chairman of the SDA for Croatia, has assessed this visit as a [word indistinct] of the attempt to add Herzeg-Bosnia to Croatia. According to his attitude, this represents an assault against Bosnia-Herzegovina's sovereignty, all the more, because at the concert in Medjugorje there was not a single symbol of the state of Bosnia-Herzegovina, while, at the same time, the concert hall was decorated with symbols of the Republic of Croatia.

B-H: Krajisnik: Karadzic Would Step Down If in Serbs' Interest

AU2506123296 Paris AFP in English 1217 GMT 25 Jun 96

[FBIS Transcribed Text] Pale, Bosnia-Herzegovina, June 25 (AFP)—Radovan Karadzic, the president of the Bosnian Serb entity, is prepared to step down if it is in the interest of the Serb people, the speaker of Bosnian Serb parliament Momcilo Krajisnik said Tuesday.

He said Karadzic "would be ready to sacrifice his power...if that was in the interest of the (Serb) people."

Krajisnik was speaking to reporters after meeting for three hours in Pale, the Serb stronghold 15 kilometres (nine miles) east of the Bosnian capital, with the top international civilian coordinator for Bosnia Carl Bildt.

The Bosnian Serb parliament was to meet Tuesday at 1200 GMT.

Krajisnik said Karadzic would not want to cause a crisis in the Dayton peace accords, which ban him as an indicted war criminal from holding office.

B-H: German Daily Says Karadzic To Run in Elections

LD2506124096 Belgrade SRNA in Serbo-Croatian 1045 GMT 25 Jun 96

[FBIS Translated Text] Hamburg, 25 June (TANJUG)—The president of the [Bosnian] Serb Republic, Radovan Karadzic, is dead set to take part in the first postwar parliamentary elections, and reports from the Serb Republic indicate that a huge majority of the population of the republic is firmly behind its hero, writes today's TAGESZEITUNG.

The paper emphasizes the widest support for Karadzic of political parties in the country and the appeal of the most numerous party in the Serb Republic to its leader to stand again for the post of president of his state.

"Mihajlo Markovic, for many years the ideological leader of the ruling Socialist Party of Serbia, published a fiery text in defense of Karadzic. In the message, this respected philosopher stresses with great admiration Karadzic's contributions made in recent years for the whole of the Serb nation," the German paper writes.

TAGESZEITUNG also reports Markovic's assessment that the president of the Serb Republic will in the future play the irreplaceable role of a peacemaker.

B-H: Commentary on Possibility of Buha Replacing Karadzic

AU2406125496 Zagreb VJESNIK in Serbo-Croatian 24 Jun 96 p 4

[Commentary by Josip Vricko: "Buha Instead of Karadzic"]

[FBIS Translated Excerpt] If we were to judge on the basis of statements that followed Pale's decision to nominate Radovan Karadzic for the "Serb Republic" president, the possibility of Karadzic remaining in his seat (even if only in the shadows) considerably outweighs that of him ending up in The Hague. Therefore, disregarding Milosevic's more radical intentions, which have unofficially been rumored in Belgrade, "president Radovan" can sleep tight.

Namely, all those who, in one way or another, as UN officials or diplomats of their countries, personify the international community after yet another of Pale's provocations have confined themselves to protests or, as was the case with the entire European ministerial team in Florence, condemnation. [passage omitted]

The latest reports from Pale, however, indicate that this hillbilly capital has nevertheless decided to stop mocking the international community. As an indiscreet and anonymous member of the local Serb Democratic Party claims, Radovan Karadzic will not be the presidential candidate. His post will reportedly be filled by "chief of diplomacy" Aleksa Buha. Some on the East River or perhaps in the Council of Europe or the White House would like to interpret this case of "Pale strewing itself with ashes" as success for the pressure that has over the last few days been applied to Belgrade. They cannot be blamed for this. They, unfortunately, know very little about the personality and the work of Minister Buha, who, had he not been as Pale needed him to be, would not have played in the Pale team even thus far, let alone in the future.

In this context, one should reconsider a recent statement by a Pale member of the parliament: "We will vote for the best," he says, "and Karadzic is the best." If Karadzic is the best, what are Buha and the rest of them like then?

B-H: Swedish Serbs Voice Support for Karadzic, Mladic

LD2406202196 Belgrade SRNA in Serbo-Croatian 1723 GMT 24 Jun 96

[FBIS Translated Text] Belgrade, 24 Jun (SRNA)—The Serb Alliance of Sweden today sent its support to Serb Republic President Radovan Karadzic and Army Commander General Ratko Mladic, rejecting all accusations by the international tribunal in The Hague as unfounded.

In a statement released today, the Swedish Serbs say that Serb organizations in Europe are currently collecting signatures opposing criminal proceedings against the Serb leaders in The Hague.

"A letter, which will be sent on 2 July to Richard Goldstone, chief prosecutor of The Hague tribunal, says that the tribunal is of a political nature with a strong anti-Serb orientation," says the statement.

The Serb Alliance of Sweden has invited its members to give their signatures for the just struggle of the Serb people in the defense of its rights and their survival.

B-H: Sarajevo Serbs Send Telegram of Support to Karadzic

LD2406201896 Belgrade SRNA in Serbo-Croatian 1739 GMT 24 Jun 96

[FBIS Translated Text] Srbinje [Foca], 24 Jun (SRNA)—The Srbinje-based association of Serb refugees from Sarajevo today sent a telegram of support to Serb President Radovan Karadzic, insisting that he put his candidacy forward in the upcoming elections, at this decisive time for the Serb people.

"Mr. President, you have been and have remained a dignified fighter for the entire Serb nation and the Orthodox cause. We would like to build the Serb Republic together with you and hence we are sending you our full support; we ask you to put forward your candidacy for Serb Republic president in the upcoming elections," says the telegram of support from the 2,000 members of the Sarajevo Serb association.

B-H: SRNA Warns About 'Old' Interviews With Karadzic

LD2406183196 Belgrade SRNA in Serbo-Croatian 1610 GMT 24 Jun 96

[FBIS Translated Text] Sarajevo, 24 Jun (SRNA)—SRNA has learned that the interview with Serb Republic President Radovan Karadzic published by the respected Italian newspaper LA STAMPA today, was given some time ago.

The world media have recently published interviews with and statements by Karadzic claiming that they are allegedly current and topical, although they were made before 18 May when Karadzic transferred responsibility for contacts with the international community and the public to Dr. Biljana Plavsic, vice president of the Serb Republic.

In light of the desire by the world media to obtain an exclusive statement or interview with the Serb Republic president, SRNA notes that, regardless of whether they are correct or not, the publication of old interviews has no professional foundation and only serves to confuse other media outlets.

B-H: Serb Refugees in Brcko Support Karadzic's Candidacy

LD2206152296 Belgrade SRNA in Serbo-Croatian 1445 GMT 22 Jun 96

[FBIS Translated Text] Brcko, 22 June (SRNA)—Today the assembly of the association of refugees and displaced persons housed in Brcko supported Radovan Karadzic's presidential candidacy in the September elections and rejected any possibility of him or anyone else from the [Bosnian] Serb Republic being extradited to the Hague tribunal.

Assembly deputies, who represent the interests of 30,000 refugees and displaced persons, send a message to President Karadzic expressing their unconditional support.

The proposal for Karadzic's candidacy was put forward by the Pale municipal committee of the Serb Democratic Party.

B-H: Banja Luka Mayor Radic To Run for Serb Presidency

AU2306182696 Paris AFP in English 1308 GMT 23 Jun 96

[FBIS Transcribed Text] Belgrade, June 23 (AFP)—The mayor of Banja Luka, Predrag Radic, has been nominated to stand for the presidency of the Serb entity in Bosnia in upcoming elections, the Bosnian Serb SRNA news agency reported Sunday.

Radic, who quit the Serb Democratic Party of hardline leader Radovan Karadzic earlier this month, was proposed as a candidate by the Serb opposition Democratic Patriotic Bloc of the Serb Republic (DPBRS).

Radic, 55, has been mayor of Banja Luka since 1991 but distanced himself from the hardline Serb leadership in Pale near Sarajevo last month following the ouster of the relatively moderate Serb premier Rajko Kasagic.

Radic becomes the second candidate to be nominated for the Serb presidency vote after Karadzic was put forward by his party last week. As an indicted war crimes suspect, the Serb leader is officially banned from standing in the polls or holding public office.

The DPBRS also nominated Mladen Ivanic as their candidate for concurrent polls to the collective presidency of Bosnia-Herzegovina, and put forward its lists of candidates to the Serb assembly and Bosnian parliament.

Elections to these bodies, as well as to a legislative body for Bosnia's other entity, the Moslem-Croat Federation, are due under the Dayton peace accords to take place by mid-September.

B-H: Serb Opposition Bloc Nominates Candidates for President

LD2306142296 Belgrade SRNA in Serbo-Croatian 1250 GMT 23 Jun 96

[FBIS Translated Text] Bijeljina, 23 Jun (SRNA)—The Democratic Patriotic Bloc [DPB—a coalition of Bosnian Serb opposition parties] of the Bosnian Serb Republic today announced that it would put forward Predrag Radic [DPB leader and mayor of Banja Luka] as its candidate for Serb Republic president in the forthcoming elections.

A statement issued after a session of the DPB coordination committee held in Bijeljina today, stresses that Mladen Ivanic will be its candidate to the Bosnia-Herzegovina presidency, Ljubisa Savic-Mauzer will head the deputies' list for the Serb Republic People's Assembly, and Dragomir Grubac will head the list for the parliamentary assembly of Bosnia-Herzegovina.

The statement stresses that the bloc urges the parties and individuals who trust these people to support their candidacy in the interest of democracy, the Serb Republic, and the unity of the Serb people.

Noting the danger of the announced aggressive election campaign by parties from the Muslim-Croat federation in the Serb Republic's territory, the DPB urges all political blocs and parties in the Serb Republic to reach interbloc and interparty consensus to form united Serb lists in the municipalities where the outcome of the elections might not be guaranteed, primarily in Brcko, Prijedor, and Srbinje.

The DPB believes that it is necessary to hold the elections within the set deadline in order to ensure the international legitimization of the Serb Republic and eventually create conditions for its interest in joint bodies of Bosnia-Herzegovina to be defended by its authentic representatives elected by the people's will, the statement says.

B-H: Refugees To Vote for Pale Constituency in Absentia

AU2406185796 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 24 Jun 96

[FBIS Translated Text] The Pale Municipality has designated the municipal electoral commission to fully implement the elections on its territory. The displaced citizens of Pale may get an insight into a provisional electoral list at electoral commissions in municipalities where they are currently residing in, or at diplomatic-consular missions of the Republic of Bosnia-Herzegovina abroad. In line with rules and regulations issued by the provisional electoral commission, citizens who are no longer living in municipalities where they used to live in 1991 will be voting in those municipalities either in person or in absentia, pursuant to the Annex 7 of the General Framework Agreement on Peace in Bosnia-Herzegovina, which anticipates that all refugees and displaced persons have the right to freely return to their homes. By voting for the Pale constituency, we confirm our firm determination to return to our homes on the territory of that municipality, reads the statement issued today and signed by chairman Salko Ophodjas on behalf of the council of the Pale Municipality.

B-H: SNS Holds First Congress, Elects Dodik Party Leader

AU2206154196 Belgrade BETA in Serbo-Croatian 1418 GMT 22 Jun 96

[FBIS Translated Text] Banja Luka, 22 June (BETA)—At its first party congress today, the Party of Independent Social Democrats (SNS) of the Serb Republic (RS) has elected Milorad Dodik as its president.

"The preservation of freedom is the first and foremost objective in our party's program, and we would rather discuss all the contentious issues between the two entities in Bosnia-Herzegovina peacefully for years then fight even for a single minute and see the people exterminate one another," Dodik said.

The SNS congress has extended support to the platform for the joint participation in the elections in the RS and Bosnia-Herzegovina, which was signed today by the representatives of the Socialist Party of the RS, the Yugoslav Left, the Social Liberal Party of the RS, the New Workers' Party, and the Party of Independent Social Democrats of the RS.

Today's congress of the SNS was also attended by Sejfudin Tokic, president of the Union of Bosnia-Herzegovina Social Democrats, Stanko Sliskovic, president of the Croatian Peasants' Party, Dusan Mihajlovic, president of the New Democracy, and the representatives of the parties from the left bloc in the RS.

B-H: SNS Backs State, Legal Identity of Serb Republic

LD2506101396 Belgrade TANJUG Domestic Service in Serbo-Croatian 0820 GMT 25 Jun 96

[FBIS Translated Text] Obrenovac, 25 Jun (TANJUG)—One of the main common elements of the parties forming the Alliance for Peace and Progress is their agreement that "the existing political establishment in the [Bosnian] Serb Republic cannot offer anything new to the people except isolation and further sinking into poverty," said Milorad Dodik, president of the Party of Independent Social Democrats [SNS] of the Serb Republic, today.

"This is what brought us together. In our talks we concluded that the state and legal continuity of the Serb Republic is something no party in this coalition alliance would go below. Nor could any party forming the alliance go below it," Dodik said in a statement to Radio Obrenovac.

He said that by offering peace and prosperity the coalition is offering legal elements for living. "We wish to create a society in which people will have jobs and earn a living. It is in this way that we wish to contribute to the stabilization of peace and the overall conditions in the Serb Republic," Dodik added.

Croatia: Bulgaria's Defense Minister Views Cooperation

AU2406114096 Zagreb VJESNIK in Serbo-Croatian 21 Jun 96 p 6

[Interview with Dimiter Pavlov, minister of defense of Bulgaria, by Vedran Matosic in Zagreb; date not given: "We Will Give Full Support to the Candidacy of Croatia for 'Partnership for Peace'"]

[FBIS Translated Text] After a bilateral agreement on military cooperation between Bulgaria and Croatia had been signed, Dimitur Pavlov, Bulgarian defense minister, assessed the relations between the two countries as exceptionally good, and announced, together with Minister Susak, concrete military cooperation. Dimiter Pavlov spent two days in Zagreb, and responded to VJESNIK's request for a short interview.

[Matosic] In your statement for journalists on the occasion of signing the agreement, you pointed out that the agreement had been in preparation for a very long time, from as early as 1994. Can you comment on relations between Croatia and Bulgaria throughout that period?

[Pavlov] The agreement had been in preparation for such a long time primarily because of the conflict in this territory and because of the embargo imposed on Croatia. But we did not respect those limitations to the end, and during that period there was contact between our working groups, military attaches and ambassadors. The papers had been prepared that have now been signed, and both our states will certainly benefit from it. I must point out our mutual wish to widen our contacts.

[Matosic] Some concrete forms of cooperation have been agreed, you have offered training at the Bulgarian military schools and academies, as well as possible joint production of antiarmor rockets.

[Pavlov] The agreement comprises several spheres—military and political, national security—but the agreement also solves some issues dealing with military equipment. The armament of our two states has many similarities, and the Bulgarian military industry produces such weapons and ammunition. Regarding the military-scientific sphere, I would like to point to our institutions with the highly modern technology, where we can improve the existing weapons and equipment. We have quality simulators and training simulators available, as well as a good radar technology. Our two countries can also cooperate in the field of military law, military medicine, and civilian protection, and one cannot rule out the cultural cooperation of the two armies, which we, the ministers, the chiefs-of-staffs, and our deputy ministers, will take care of. Regarding our high quality military schools and academies, I have offered training for your officers, members of the ground force, air force, and navy. Also, we offer good education to the future officers of the merchant navy.

Apart from that, we envisage the possibility of joint participation in various seminars, both in the territory of our countries, and in some others. It is known that such seminars are often held in the NATO member states, and after Croatia joins Partnership for Peace, we will certainly participate in military exercises together, too.

[Matosic] Your country already has some experience in such exercises.

[Pavlov] We have held several exercises in our territory within the framework of Partnership for Peace, and we have participated in the exercises held in the territories of other states, in Romania, Poland, Germany, Ukraine, the United States. However, it seems important to me to emphasize that after Croatia joins the Partnership, your soldiers and our's can have good quality cooperation because the language barrier is not too great, that is, we really can easily communicate with each other.

[Matosic] You mentioned cooperation in the sphere of military medicine.

[Pavlov] Yes, we can exchange officers who, for any reason, are in the sanatoriums and military medical centers. We have substantial experience in that field, as you have, and that would be a good beginning. We should encourage mutual visits of the warships. Our ships have been to Turkey, Greece, Italy, and a large number of foreign ships has visited Bulgaria—ships from 16 countries have been guests of our naval force. We are also open to the visits from air forces. So far, four states have visited Bulgaria with their combat planes. So, you see that the possibilities of our cooperation are very broad.

[Matosic] During the past period, you have been introduced to the organization of the Croatian Army. Is there something you would like to point out?

[Pavlov] I was most impressed by the fact that Croatia's army has become almost completely a professional one in the period of transition. Then, one sees great enthusiasm, good spirits, and a wish to fulfill obligations well, and I have been really impressed with that. I was impressed by the equipment, achieved in such a short time, as well as the mechanization of the units. A bit of a deficit in the heavy weaponry and airplanes is something normal, since Bulgaria has certain difficulties, too, although our army is much older.

[Matosic] What is your opinion about the implementation of the Dayton agreements, that is, do you see this region as stable in the long run?

[Pavlov] Although it is hard to give a resolute forecast, or to claim something with certainty, we are looking forward to the implementation of all agreements. According to the conclusions and analyses, the IFOR [Implementation Force] troops have fulfilled the military tasks—separating the forces and stopping the conflict. Now, the civilian part of the agreement is to follow. The four years of war have left their mark on the population, there are many casualties that are hard to forget, but we hope that sense will prevail over sensitivity, and that a peaceful coexistence will be reestablished. That should be the basic principle for achieving mutual tolerance after the departure of IFOR. Regarding this territory, one must emphasize that neighbors cannot escape from one another, and a peaceful future can be achieved only based upon peaceful coexistence. The sooner it is achieved, the better it will be for all other states in the region.

[Matosic] What do you think, will Croatia join the Partnership for Peace soon?

[Pavlov] I think that the initiative of Partnership for Peace has set up very broad goals, and that it allows the states to achieve them according to its own capabilities. Over the last year, the objectives of the Partnership have not only been achieved, but also surpassed. I am saying this in order to point out that the Partnership is good for the establishment of good relations between states, and I think that Croatia will join that international organization very soon. We will give full support to your candidacy on all levels and wherever we can.

Bulgaria has started an initiative for the meeting of the defense ministers of southeastern Europe, which should take place in Sofia, in the autumn. In the consultations with all the countries' participants, this meeting was supported. We have invited the OSCE [Organization for Security and Cooperation in Europe], WEU [Western European Union], the United States, and the Russian Federation, as the guarantors of peace. We will look for the subjects of mutual interests and mutual understanding, as well as the modes of possible cooperation. We will try to avoid points of conflict, since there are unsolved questions among all the countries' participants. We will insist that this part of Europe achieve mutual understanding as soon as possible without external influences.

Croatia: Government To Start Consular Work in Belgrade

LD2406213996 Belgrade TANJUG in English 2124 GMT 24 Jun 96

[FBIS Transcribed Text] Zagreb, June 24 (TANJUG)—Yugoslav and Croatian experts agreed in Zagreb on Monday that the Croatian Government office in Belgrade would start consular work on July 8 this year.

The office of the Yugoslav Government in Zagreb successfully began consular work on June 15.

Thanks to the agreement, Yugoslav citizens will no longer have to go to Croatian embassies in neighboring countries to get the necessary documents to travel to Croatia.

Yugoslav delegation head Radomir Bogdanovic said the expert teams of foreign and interior ministries and the customs administrations of the two countries had agreed that there should be equal conditions on both sides for crossing the border.

The Yugoslav side also proposed that the practice of changing vehicle plates on the common border on entering the country be abandoned as of July 1 this year.

The delegations also considered other questions regarding consular affairs, including problems of temporary protection of property, inheritance, and other rights of citizens.

Croatia: General Says Slavonian Serbs Took Arms to Serbia

AU2406122796 Zagreb VJESNIK in Serbo-Croatian 20 Jun 96 p 6

[Interview with Major General Slavko Baric, envoy of the president of the Republic at the Office of the Government of the Republic of Croatia for the Transitional Administration and head of the Implementation Committee for Military Issues with that office, by Snjezana Canic; place and date not given: "They Have Transported Artillery Pieces and Tanks to Serbia—They Will Hand Small Arms Over Only If Compensated"]

[FBIS Translated Text] One thing is for sure: All the good quality and particularly the heavy weapons have been shipped off to Serbia. Those include tanks, armored personnel carriers, and larger-caliber artillery pieces and it was on Monday that a large quantity of medical equipment and radio and communications hardware was also taken away. One can say with certainty that everything in working condition has been transported over, between 50 and 60 tanks and 100 to 150 large-caliber and about 100 medium-caliber artillery pieces. It is hard to assess or express the value of the items taken away in figures, but apparently nothing of any value will be staying in that region. The things that will stay will probably be either destroyed or put at the disposal of UNTAES [UN Transitional Administration of Eastern Slavonia].

Major General Slavko Baric, the envoy of the president of the Republic to the Office of the Government of the Republic of Croatia for Transitional Administration and head of the Implementation Committee for Military Issues with that office, made those remarks two days before the official end of demilitarization, after a trip through Baranja of several hours—for the first time [visit] in five years.

"During my trip through Baranja, where I passed through the villages of Dubosevica, Vardarac, Suza, Kozarac, Udvar, Knezevi Vinogradi, Petlovac, Baranjsko Petrovo Selo, and elsewhere, as well as through the Vukovar region, it could be noticed that there are no major military formations, the number of people in uniform is very small, there are no heavy weapons in position, and everything has been withdrawn. Some of the weaponry is in the barracks in Vukovar and some is in Beli Manastir, while some of the weaponry, including some that is out of order, is under the control of UNTAES," Baric says.

Gen. Baric believes that as early as 21 or 22 June the state of demilitarization will be discussed and "there is no reason not to compose a message for the UN secretary general in the next three or four days to the effect that the process of demilitarization has, in fact, been completed."

We Have Not Fooled Ourselves

[Canic] Can we actually say that the weapons shipped away have been permanently removed?

[Baric] I think that from the very outset we were aware of the unlikelihood that the Serb side would leave all their good quality weapons or hand them over to UNTAES, from which they should in the normal course of events pass to the Croatian Army, that is, to the Croatian state. Certainly, we did not fool ourselves into thinking that the other side would do this; we realized that they would ship the weapons away. But, ultimately, the important thing for us is that those weapons are not there any more.

[Canic] In what way is the voluntary surrender of weapons proceeding and what are the possibilities of hiding them?

[Baric] I must be sincere: The voluntary surrender of weapons is simply not happening. I think that it is perfectly clear that those in military uniforms who organized the weapon surrenders succeeded to a certain extent. However, even they are skeptical about the surrender of small arms, so we should not fool ourselves into thinking that the voluntary surrender will have any particular significance. A certain compensation, that is, of course, in financial terms, for weapon surrenders, in view of the living standards there, would be a better move. The local leadership, too, has welcomed that idea and they think that this would yield positive results.

[Canic] What is the situation with the Serb military units, including the paramilitaries?

[Baric] Let me remind you that General Loncar issued orders to disband all units and that UNTAES was present at the time. With that part, we can be reasonably satisfied. Some of their units are still in their barracks and are regularly carrying out their duties. As for the paramilitary units, one must say that now they are small groups that have turned into terrorist groups. In the Baranja region, they are not particularly active, but in the Vukovar region they are trying to steal everything that they can.

Robbery, Smuggling, and Looting

[Canic] A concrete example?

[Baric] When talking to the secretary of the Serb militia, I managed to find out that the crime rate has obviously increased and that it is individual, old-fashioned crime, such as breaking into premises and buildings, robbery, and looting. There is also the export of oak timber, which was quite well organized, and there is tobacco and liquor smuggling. Recently, there was noted a conflict with a group of smugglers organized by Rade Leskovac, a famous inhabitant of Osijek, who also organized the actual smuggling. Therefore when the police go into that region on 1 July and we are talking about the mixed UNTAES police here, they will have an opportunity to show and prove themselves, and to try to introduce law, order, and security as much as possible.

[Canic] By that time, the Serb police will be active in that area. How do the Serb police carry out "their tasks"?

[Baric] The representatives of the Croatian and Serb police have continuously been talking and it can be said that there has been some progress. The Serb side is aware that many of them will lose their jobs and that a certain number of people, more specifically, 150 Croatian policemen, will have entered the region by 1 July. Certainly there will be some problems, and therefore we expect UNTAES, or rather UNCIVPOL [UN Civilian Police], and particularly Gen. Klein to introduce the police system and establish it using people who will have full control of the work and activity of the police. For the time being, I can say that the talks with the representatives of the Serb police are pretty tough, the other side struggles for almost every one of their men, and the other side is not well disposed to what is going to happen.

However, they have still been carrying out orders and in that sense I can say that they have behaved professionally in that part of their work. It is important to point out that at this moment the commanders of the police are being chosen by UNTAES and the deputy commanders, or as the Serb side calls them cocommanders, will consist of one Croat and one Serb. In the beginning, there will be no changes of the chiefs of police, but certainly a number of people at the police stations—particularly those not accepted by the Croatian side—will not be staying. As early as in a month, it will be known who will be allowed to work in such police forces.

[Canic] What about the process of mine-clearing, particularly in those places that are being defined as the pilot projects of the refugee return?

[Baric] We have been working on organizing people and preparing all that is needed to begin such a complex job. Finally, we set up expert groups for the villages determined as priorities, that is, for pilot projects: Lipovac, Nijemci, Laslovo, Korodj, Antunovac, and Bilje. The heads of the teams to take charge of the mine-clearance have also been appointed and now we have to finish assembling their equipment and ask for certain equipment from other district corps and units.

I can announce that as early as next week these expert teams will be ready to enter four or five villages simultaneously and by the end of next week we will be able to talk about the beginning of mine-clearance. We have reached an agreement with Gen. Klein that the Croatian Army will do that job, because at this moment the Djakovo District Corps has got by far the largest, as well as the best equipped and best qualified personnel to work quickly and efficiently. I expect Gen. Klein to give his answer to our proposal for mine-clearance on Thursday or Friday.

One Incident Can Turn Everything Upside Down

[Canic] The process of demilitarization is near the end, but we can remember the protests of the Croatian side regarding the recruiting of citizens from the occupied territory into JA [Yugoslav Army], which was continuing even during this demilitarization process.

[Baric] Unfortunately, it has been proven yet again that recruiting did take place and a number of recruits have been sent to Sombor. We will once again be officially protesting against this, so that it will not happen again, particularly because those are people from Baranja and Vukovar, who were sent to Sid and Belgrade, people born in 1978/1979. Also, those young men were not of only Serb nationality.

[Canic] What is your opinion of the process of demilitarization so far, the countdown of which can almost start?

[Baric] The Croatian side has some objections, but we can already say that the demilitarization is successful, because there are no more military formations or militias not under UNTAES control. Also, we must be satisfied with the withdrawal of the heavy weapons, as well as the Serb army from the demarcation line. Despite certain drawbacks and reservations and, given that we know that the Serbs will try to hide some things and will not do everything as it was agreed, one can give a positive mark to the demilitarization process and conclude that the process will finish on 21 or 22 June. That means that after that there will be no obstacles to the Croatian police entering the region, followed by other Croatian authorities.

[Canic] What do the objections refer to and what additional problems might arise?

[Baric] There are still uniformed people there, plus we do not believe that a complete list of the installations and weaponry available to the Serb side, as well as a register of the minefields, has been handed over to us. Even after 21 June we will insist on resolving these issues. We are also not satisfied because the bulk of the noncombat equipment, as well as some vehicles, is leaving for Serbia, although those vehicles and equipment are intended to serve the transitional forces in the region. As far as the problems which will appear, they are based upon the large number of demobilized, who are unemployed. There will certainly be individual problems: resistance to the arrival of our police, institutions, currency, and documents. However, we can certainly find people among the Serbs with whom we must and can talk. I want to emphasize that we are slowly entering the second phase of the process of reintegration and day by day some kind of certainty increases that the situation will be resolved in a peaceful way. I am optimistic about this and I do what I believe can yield results, though I am aware that the smallest matter, that is, incident, can turn everything upside down.

Croatia: Refugees' Visit to Serb Village Canceled

LD2406200396 Belgrade TANJUG in English 1939 GMT 24 Jun 96

["Pool" item]

[FBIS Transcribed Text] Sarvas, June 24 (TANJUG)—A visit organized by the United Nations for Croatian refugees to the Serb village of Sarvas in Eastern Slavonia, Baranja and Western Srem for Monday was cancelled following misunderstandings over the list of visitors.

A statement released by the local press service said that Sarvas inhabitants demanded the removal of the names of 26 people suspected of having taken part in the massacre of Serb civilians on 2 Aug. 1991 while the village was still under Croatian control.

Representatives of the U.N. Transitional Administration for Eastern Slavonia (UNTAES) approved the Serb demand and decided that 27 Croats should visit Sarvas instead of 53 Croats who had planned to attend a mass in the Sarvas church on the occasion of the Catholic festival St. John the Baptist. Croatian representatives rejected the decision and said that either all Croats would visit Sarvas or no one would come.

In the meantime, a group of Sarvas Serbs gathered outside the Catholic church with posters 'where are our relatives and fellow-villagers—where are their graves.'

After UNTAES threats that the posters would be removed forcibly, the local population rallied around the church but an incident was avoided following a report that Croats had decided not to visit Sarvas because of the changes in the list.

Croatia: SDA Condemns Tudjman's Visit to Medjugorje

LD2406190796 Sarajevo BH PRESS in Serbo-Croatian 1700 GMT 24 Jun 96

[FBIS Translated Text] Zagreb, 24 Jun (BH Press)—The Party of Democratic Action [Stranka Demokratske Akcije—SDA, ruling Bosnian Muslim party founded by Bosnian President Izetbegovic] of Croatia has sharply condemned Croatian President Tudjman's visit to Medjugorje because it took place without any prior consultations with the legal government of Bosnia-Herzegovina.

Semso Tankovic, the chairman of the SDA in Croatia, has assessed the visit as "an indication of an attempt by Croatia to annex Herzeg-Bosnia." According to Tankovic, this represents an assault against Bosnia-Herzegovina's sovereignty, all the more so because there was not a single symbol of the state of Bosnia-Herzegovina at the Medjugorje, while at the same time the concert hall was decorated with numerous symbols of the Republic of Croatia.

Croatia: HSS Leader: We Are Ready To Negotiate With HDZ

AU2506082096 Zagreb VJESNIK in Serbo-Croatian 21 Jun 96 p 5

[Interview with the HSS Chairman Zlatko Tomcic by Goranka Juresko; place and date not given: "Tomcic: We Are Willing To Negotiate With the HDZ, but Only as Equal Partners"]

[FBIS Translated Text] [Juresko] Mr. Tomcic, the HDZ [Croatian Democratic Union] has been looking for a coalition partner for a long time, and the partner that is mentioned most often—sometimes just implied, sometimes mentioned openly—is the Croatian Peasants Party [HSS]. Have you agreed to negotiate with the party in power, and under what terms?

[Tomcic] The HDZ has done that very openly lately. I think that the right question is: Why is the HDZ looking for a coalition partner so conspicuously? The main reason is the internal turmoil in the HDZ, and I do not want to comment on that, as one should be polite and stay out of other people's business, but that is very evident. They think they might stabilize their internal situation by weakening other parties in any way. Another reason why they are looking for a coalition partner is that they have not succeeded in solving problems that have piled up in the democratization of our society, as well as in our economy, which is apparently about to collapse and end up on welfare. Those are certainly the two most important elements, but there is also the third one: The HDZ needs a model for the presentation of itself to the world and to Europe—whose attitude toward Croatia is at the moment restrictive—as a serious democratic party, willing to solve internal problems in a democratic way. All of that is usual; every party in their situation would do a similar thing, but the question is whether they would try to ensure cooperation, coalition, and negotiations in the way the HDZ does...

[Juresko] What is unacceptable for the HSS in the HDZ offer?

[Tomcic] The HDZ is looking for a partner to help them solve the problems I have mentioned, and they think they have no rival, as they have an absolute majority in legislative and executive authorities. However, there is something illogical about it, and we must wonder why they would need anybody's help in such a constellation of power. Is the state in danger or is the HDZ? Are they trying to prove that the state is endangered by Balkan associations—and the attitude of the HSS toward that issue is quite clear? After all that the Croats and the citizens of Croatia have been through, there is no doubt that such dangers are not real. The HDZ has chosen the wrong way in their search for a model of cooperation with other parties: They are offering form instead of content. They always offer positions, posts of ministers and executives in the public sector—and the HSS has not been an exception. We do not favor such a policy, and we do not want anybody to give us positions in executive bodies—we have to win those by the will of the voters. According to that, the HSS is ready to negotiate about all political options in Croatia, but only about the essence, about the contents of problems—I am referring to economic and social issues primarily, and to the general process of democratization in Croatia. Each of the existing political options obviously has a different attitude toward the possible solution of those problems, and we have to talk in order to reach the best solution. The HSS actually prefers dialogue and tolerance in our political options. However, dialogue is possible only if the other side is ready for it, and if both parties are equally ready to be tolerant. The contacts we have had with the HDZ were not like that. They make an offer and expect us to take it or leave it. We do not want to work that way, and we are not going to. However, we will accept dialogue.

[Juresko] Opposition parties are often criticized for being against the HDZ and therefore refusing even to talk.

[Tomcic] The interpretation that opposition parties are against the HDZ is completely wrong. We have to understand that to oppose is in the nature of democracy and in the relations between different political options. That it is a battle for our own attitudes and interests, but there is no difference when national interests are at stake. We are willing to negotiate with the HDZ, but only as equal partners.

[Juresko] What effect do you think the possible continued negotiations between the HDZ and the HKDU [Croatian Christian Democratic Union] might have on the Parliament 95 opposition association?

[Tomcic] The Parliament 95 association should be taken as it was formed—primarily for the elections in October 1995. It is a gentlemen's obligation to cooperate in matters that all parties in the association share. The actual function of the association will become clearer in future elections. We have not formed a union or a coalition, as each party has continued to function independently—we entered the association of our own free will, judging it was the right thing to do at that political moment, in the elections. Accordingly, every party is free to leave the association should they find another political interest. The opinion of the voters and the public is a different matter. I would not bother myself with such questions—if the HKDU thinks their political program might find better realization elsewhere, that is all right with us. However, parties that change partners and revise their political position too often might be judged by the public as unstable, which would affect their political efficiency. That is the problem of the HKDU, not of the HSS, but I would still like to stress that Veselica [HKDU chairman] has presented the contents, not the form, of their program in his speeches—just as we have. Anyway, there is no need for Parliament 95 to dissolve, and we are functioning in neutral gear at the moment—such are our present needs. We will activate the association for each possible election.

FYROM: Gligorov on Possible Changes in Ties to Greece

LD2506115196 Belgrade TANJUG Domestic Service in Serbo-Croatian 0918 GMT 25 Jun 96

[FBIS Translated Text] Skopje, 25 June (TANJUG)—It has been announced in Skopje that on the occasion of the death of Andreas Papandreou, the former prime minister of Greece and leader of PASOK [Pan-Hellenic Socialist Movement], Kiro Gligorov, head of state in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], last night sent a message of condolence to Konstantinos Stefanopoulos, president of the Republic of Greece.

Branko Crvenkovski, the prime minister in Skopje, sent a message of condolence to Greek Prime Minister Kostas Simitis.

Answering deputies' questions in parliament yesterday, Gligorov said that he expected changes in Greece.

"Now, after Papandreou's death, a situation could be created in which everything he achieved as PASOK leader is denied, and other changes may also come about. I have no illusions that the government in Athens could express diametrically opposed views regarding the problem with Macedonia. Everything will depend on an internal regrouping within PASOK. In my view, Simitis is more realistic and more European-oriented, so I do expect some changes. However, events in relations between Macedonia and Greece so far have, after all, resulted in a better climate and pulled us out of a deadlocked position," Gligorov said.

The Socialist Party of Macedonia (SPM), the coalition partner in the government, has also sent messages of condolence to the PASOK leadership.

FYROM: NDP Protests Court Decision on Activists

AU2206204696 Zurich BOTA SOT in Albanian 22 Jun 96 p 9

[Article by B.T.: "Judicial Power in the Service of Daily Policy"]

[FBIS Translated Text] The People's Democratic Party [NDP—PPD in Albanian] considers the Skopje District Court decision to reduce the sentences for the Tetovo University activists, Fadil Sulejmani, Nevzat Halili, and Milaim Fejziu, as well as the NDP Presidency member Musli Halimi, as unfounded, unfair, and politically intentional.

Despite their sentences being reduced, these activists are declared guilty only because, just like so many others, they were directly committed to the founding and functioning of the Tetovo University.

Such a decision by the Skopje District Court testifies once again that no independence of the judicial power exists in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], but this power serves the daily policy of the current government.

The NDP hopes that the Macedonian Supreme Court will correct this political decision of the Skopje District Court and will declare the defendants innocent, thus contributing to the return of confidence in the bodies that share the justice.

Poland: Solana, Naumann on NATO Expansion, PFP

WS2406135096 Warsaw RZECZPOSPOLITA in Polish 21 Jun 96 p 5

[Report on interview with NATO Secretary General Javier Solana and NATO Military Committee Chairman Klaus Naumann by Maria Wagrowska: "An Alliance of Solidarity"]

[FBIS Translated Text] *"NATO's dialogue with each of the countries that aspire to become member states of the organization is continuing. In December 1996, the allies will analyze the situation and will decide what steps should be taken next to expand the alliance," NATO Secretary General Javier Solana said in an interview with RZECZPOSPOLITA. "The admission of Poland will not be simple from either the political or the military point of view," stressed NATO Military Committee Chairman Klaus Naumann, adding that, "despite that, this is a problem we should be able to solve."*

Solana rejected all speculation as to the date when the alliance might make its decision to expand, as well as on the countries that might be first to receive invitations to start negotiations. He assessed the dialogue and cooperation with Poland as being very good.

Three Vectors

Must the admission of new member states such as Poland be preceded by an internal reform within the alliance? Or can these two processes take place simultaneously, as is suggested by France? Javier Solana replied that he believes that these are simultaneous processes. The secretary general argued that "NATO is changing, adapting to the post-Cold War reality, by following three vectors: preparation for new missions, similar to the one in Bosnia; the shaping of a European identity in the area of security and defense in NATO; and expansion into new countries." He believes that these processes will take place simultaneously. "NATO wants to be an instrument that helps maintain peace and stability."

Solana was outraged by the opinion that not much is currently happening in relations between Poland, other [Central] European countries, and NATO. "What about the Partnership for Peace [PFP] program? What about cooperation in Bosnia and the striving to achieve interoperability?"

Solana thinks the PFP program is very important. "Since the moment the program was launched, which was only two years ago, it has been possible to shorten the distance between the PFP countries and NATO; it has proved possible to take joint action in Bosnia. However, the role of the program is not only to help the PFP countries adjust to NATO norms. Some PFP countries, those that will not be first to join the alliance, will be able to continue developing in the PFP for a longer period of time." Quoting the NATO statute, Solana excluded all forms of participation in NATO other than formal membership.

The secretary general did not reveal any data on how much NATO expansion would cost. He only said that it is bound to be very costly. However, he stressed that NATO member states, which share values and goals, also share budgets; they share everything. It is necessary to balance the costs and the advantages. Cooperation in the alliance is less costly and more efficient than trying to ensure security for oneself on one's own. "Remember," he stressed, "NATO is an alliance of solidarity. One receives a lot, but one also gives a lot to the others in return."

Together With Russia

If Russia agreed to NATO expansion, would this cause NATO to speed up opening to the fledgling democracies? Solana evaded this question. He resorted to recalling the history of cooperation with Central Europe, determined by the various decisions made by the alliance since 1994. "We always tried to make sure that this process was clear," he emphasized. "The decision to expand is up to us, not to anyone else. However, we would also like to develop our relations with Russia, which is extremely important to the stability of the entire continent. We do not want to isolate anyone; we do not want to isolate Russia," Solana stressed. "This should also be important to a country such as Poland."

"We do not want to achieve security against anyone; we want to achieve a state security for all of us, including Russia," said Klaus Naumann, the "first soldier" of the NATO countries. What about the experiences the inspector general of the Bundswehr acquired when Soviet and then Russian troops were withdrawing from Germany? How should the Russians be approached? How can they be made to realize that NATO expansion is not directed against them?

"At that time," recalled Naumann, "we recommended that our soldiers act in such a way as to enable Russian soldiers to withdraw from our country without being humiliated. In all cases, it is necessary to respect Russian pride, the pride of a great country and nation that made a significant contribution to the development of European culture. However, it is also necessary to be tough with the Russians in negotiations whenever such a need arises."

Faith in Deterrence

Naumann rejected the suggestion that Poland is valuable to NATO because our country might become a "strategic space" if NATO expanded [as published].

"I object, on principle, to deliberations in which geography is seen as playing the most important role. This may be used by opponents of NATO expansion. Their reasoning is based on geostrategic categories of spheres of influence, hegemony, and dominance. Therefore, I personally prefer the term of 'opening' NATO because this idea does not suggest the drawing of new dividing lines. It is certainly in the interests of NATO states that the border between NATO and the remaining European countries is not set forever—for example, on the border of the Odra and Nysa Rivers. Incidentally, this process would contradict other trends," noted Naumann. "I cannot imagine a situation where Poland's membership in the EU is envisioned but its membership in NATO is ignored. It is impossible to draw a line between economic, monetary, and social cooperation, which the EU aims at, and cooperation in the area of defense, which lies within the powers of NATO."

What if we were talking about wartime, not peacetime? "The primary idea that underlies the alliance," the chairman of the organization's highest military organ replied, "is that everyone should be ready to share the risks and burdens, as well as to provide guarantees to each other; by deterring potential enemies they should prevent war. This policy has been successful for over 40 years of confrontations in Europe. Therefore, I have no doubt whatsoever that the principle of deterrence should be observed in the future as well," Naumann said.

Minor Issues

Asked whether the special status of the former German Democratic Republic [GDR] in NATO is causing any difficulties in the functioning of the alliance, Naumann gave a negative answer.

"No, there are no major difficulties due to this. The Federal Republic of Germany has taken on certain duties to show that it is ready to reach agreements, to ease tension in international relations. For this reason, we have committed ourselves to not deploy nuclear weapons or their carriers on East German soil. However, it is also clear that the territory of the former GDR is part of Germany, and the entire German state is under NATO protection, without any exceptions."

"However, those who think that Germany has become engaged in supporting Poland's membership in NATO just to 'water down' this special status of the GDR are wrong. Such reasoning is totally alien to the alliance," replied Naumann to a suggestion made by RZECZPOSPOLITA.

What about the special status of Denmark or Norway? Has this ever been a problem for NATO? "If we were unable to resolve such minor problems, then we would not deserve the money we are collecting every month," Naumann said laughingly. "The only problems the statutes of those countries cause are technical, and these are easy to solve. At peacetime, they actually boil down to certain difficulties in the training of soldiers."

Does this mean that NATO's expansion into Poland will also be a piece of cake? "This issue is not simple from either the political or the military point of view," the general said more solemnly. "Nonetheless, it certainly does not defy a solution."

Poland: Defense Minister Says NATO Workshops Successful

LD2406132396 Warsaw Radio Zet Network in Polish 0615 GMT 24 Jun 96

[Interview with Stanislaw Dobrzanski, Polish defense minister, by an unidentified announcer—live]

[FBIS Translated Excerpt] Defense Minister Stanislaw Dobrzanski is Radio Zet's guest this morning. Good morning, sir.

[Dobrzanski] Good morning, ladies and gentlemen.

[Announcer] Were the 13th NATO workshops, held last week in Warsaw, lucky or unlucky?

[Dobrzanski] Although they bore the number 13, I would resolutely say they were not unlucky, they were very...

[Announcer, interrupting] Are you superstitious at all?

[Dobrzanski] No, I'm not, but sometimes maybe just a little. But in this case I would resolutely say that these workshops were successful.

[Announcer] Why?

[Dobrzanski] Let's just answer one question. Can we expect anything concrete from these workshops, such as the signing of acts or decisions? No, because this was not the objective of the workshops. The 13 workshops were a forum for an exchange of views. The aim of these workshops in Warsaw was to talk, to hold talks among NATO members themselves as well as between them and the countries in the Partnership for Peace. This exchange of views, according to all of the participants, was a concrete one, and everyone concerned maintained that the atmosphere of the Warsaw talks was a very good one and that some agreements were made here, albeit of no fundamental significance either for the expansion of NATO or for security policy as a whole—important agreements because they brought people together and allowed all participants to get to know the views of others.

On the other hand, the important thing for Poland was that we showed our best side. [passage omitted]

[Announcer] What was achieved at the Warsaw workshops?

[Dobrzanski] You are clearly looking for analogies with a craftsman's workshop. There are no such analogies here. I think an atmosphere of consent to admit Poland to the North Atlantic Treaty was created here. And that atmosphere was a universal one. I think this is the highest value we obtained from these workshops. [passage omitted]

[Announcer] Has a decision been made not to deploy nuclear weapons on Polish soil?

[Dobrzanski] Such a decision could not have been made because there is no decision on Poland's admission to NATO. We are often asked whether we will be deploying nuclear weapons in Poland when we are in NATO. We cannot discuss this subject because our NATO membership has not yet materialized. Therefore, let's not discuss this.

But kindly look at statements made by NATO politicians: There is no such trend; they do not insist on deployment of weapons, not only in Poland, but elsewhere. The trend is to reduce the territories where these weapons are stationed. I think fears that we will be categorically asked to deploy nuclear weapons here are absolutely groundless. I think this is absolutely impossible. [passage omitted]

[Announcer] Which plane will Polish pilots be flying: the F-16, the F-18, or yet another?

[Dobrzanski] I do not know that yet. I want them to fly modern planes, the best possible ones. Therefore, we are holding discussions, we are analysing all products of the aviation industry.

[Announcer] But this is the most important contract; it's even called the contract of the century.

[Dobrzanski] When such a contract for production or equipping the Polish Army with planes is eventually concluded, it naturally will not be a small contract. But we must approach the whole thing calmly so that—[pauses]—the most important thing is that, when buying the equipment for the armed forces, we must remember not to damage our economy, its harmonious development. [passage omitted].

Poland: Poll Shows Majority Back Membership in NATO

WS2406144996 Warsaw TRYBUNA in Polish 21 Jun 96 p 7

[Article by W.D.: "A CBOS Poll: Yes to NATO, No to Missiles"]

[FBIS Translated Text] *Increasingly more Poles are convinced that membership in NATO is the most advantageous solution there is to ensure security for Poland. If a referendum on this issue had been held in May, as many as 83 percent of the respondents to a poll by the Public Opinion Research Center [CBOS] would have said "yes" (this was 8 percent more than two years ago).*

Only 8 percent would have voted against Poland's integration with NATO, and 9 percent do not have a fixed opinion on the issue yet. We also mostly agree that there is no alternative to the NATO option today. Only a little over 20 percent of the respondents believe that it would be favorable to our country to remain neutral; several percent would rather try to find another military ally.

However, we are unanimous only on the most basic issue. Only 57 percent of the respondents agree that Polish military units be subordinated to the NATO command headquarters (28 percent are against); the idea of stationing foreign troops in Poland is supported by 55 percent (32 percent object to it); participation of Polish soldiers in peacekeeping operations is endorsed by 65 percent (23 percent are against).

No nuclear weapons should be deployed on Poland's soil—on this there is almost full unanimity. Merely 14 percent of the respondents would agree to this, and as many as 78 percent are against. An interesting thing is that only 8 percent do not have a fixed opinion on this issue.

As many as 73 percent would like Poland to be admitted to NATO within the next five years, and 61 percent believe that this is a realistic possibility.

The CBOS poll was carried out between 24 and 29 May of this year on a 1,154-person random sample of adult inhabitants of Poland.

Poland: Kwasniewski, Ukraine's Kuchma Sign Joint Declaration

LD2506130596 Warsaw Polskie Radio First Program Network in Polish 1200 GMT 25 Jun 96

[FBIS Translated Text] The existence of an independent Ukraine is a factor favoring the consolidation of the independence of Poland, just as the existence of an independent Poland favors the consolidation of the independence of Ukraine, declares the joint declaration of the presidents of Poland and Ukraine, Aleksander Kwasniewski and Leonid Kuchma, signed today in Warsaw. The presidents have acknowledged that no state has the right of veto in face of the sovereign decisions of another country on joining a defense alliance chosen by it. The process of widening NATO ought to be an evolutionary and open one, and it ought also to contribute to the strengthening of political stability and security in Europe, it is stressed in the declaration.

Poland: Kwasniewski To Promote Image During Visit to U.S.

WS2506115296 Warsaw SZTANDAR in Polish 25 Jun 96 p 2

[Article by Wojciech Luczak: "Kwasniewski Will Tackle the Media"]

[FBIS Translated Text] During one of his two visits to the United States, President Kwasniewski might meet with the editorial team of THE NEW YORK TIMES, whose columnists are staunchly against the enlargement of NATO to include the states of Central Europe. A recent article by Thomas L. Friedman carried by THE NEW YORK TIMES, suggesting that both Bill Clinton and his electoral rival Bob Dole are making a mistake by supporting NATO expansion, has led Warsaw and Washington to take steps to change that point of view. THE NEW YORK TIMES is a very influential medium, whose opinion might be considered in the U.S. Senate debate on accepting new members into NATO.

Well-informed sources say that both the first visit—a working one between 5 and 10 July—and the second, a private one between 16 and 18 July, are to be dominated by building up the image of the president in the U.S. media.

Poland: Romanian Gypsies Deported to Ukrainian Border

WS2506104696 Warsaw GAZETA WYBORCZA in Polish 25 Jun 96 p 1

[Article by "BLIK,HAK,MLYN": "Deportation of Gypsies; Me Go Back to Polonia"]

[FBIS Translated Text] *Gypsies evicted from underneath the Grot-Rowecki Bridge in Warsaw were deported to Ukraine yesterday [20 June].*

On Tuesday night [18 June], the Gypsy settlement was liquidated by police from the Bielany and Bialoleka districts of Warsaw. Many Romanies were locked up at Warsaw police stations, and the police prepared deportation requests. By 2100 the Voivodship Office issued 73 decisions on the deportation of 113 persons to Ukraine. The police claim that the Gypsies came to Poland from Romania via Ukraine.

Yesterday, early in the afternoon, the convoy of deported Gypsies reached the border crossing in Medyka, where they were taken in two buses and a police van customarily used to transport convicts. They were convoyed by Warsaw policemen. Among the deportees were many young women—some pregnant—and children. There were considerably fewer men.

We spoke with several men who spoke quite fluent Polish. The majority of the deportees had stayed in Poland for a year, but Viorel Jordanescu, for example, had lived in Warsaw for nearly six years. The majority of our interlocutors said they would be back in Poland in a matter of days.

One of them, Ion Barabas, told us he sold jackets at the market at Stadion Dziesieciolecia [10th Anniversary Stadium—the biggest market in Europe]. We asked him what he would do in Romania.

"Me return to Polonia in three days with new passaport. Polonia good, our country no good." [preceding quoted sentence in broken Polish]

[Immediately below the above report, GAZETA WYBORCZA carries a 150-word, untitled commentary by Natalia Skipietrow. "Instead of demonstrating power by arresting and deporting the Gypsies, could no other solutions be found?" Skipietrow asks. "If we want to help them, we should do so with due respect for their customs. They will be back anyway. No one can prevent people from migrating to where the standard of living is higher," the author writes. She concludes: "What was this for? So that the police, incapable of catching criminals, could show how effective they are in hunting down women and children at dawn? All the evil in this world stems from a hatred toward outsiders."]

Poland: UW Protests Deportation of Warsaw Romanies to Ukraine

LD2506083596 Warsaw Polskie Radio First Program Network in Polish 1700 GMT 24 Jun 96

[FBIS Translated Text] [Announcer] Zofia Kuratowska, Krzysztof Dolowy, and Marek Balicki, representatives of the Freedom Union [UW], have called the deportation to Ukraine of the Romanies hitherto living adjacent to the Grot-Rowecki bridge in Warsaw and the destruction of their encampment last Wednesday a scandal. They have stated that the police used force not proportionate to the threat that the camp and its inhabitants constituted to Warsaw. As Kuratowska stressed, the time and method of execution of this deportation transgressed human rights.

[Begin Kuratowska recording] The action was directed against a single ethnic group, against an ethnic group that does not have a state of its own. Thus, no state will protect the rights of the Romanies who were treated in this way. They were separated and later quickly taken to the border, and their few possessions were destroyed. [end recording]

[Announcer] Ryszard Hoffman, press spokesman of the Warsaw Provincial governor, acknowledged that, if the administration of the capital had not liquidated the encampment, it would have been criticized as much as for carrying it out. Hoffman feels that the police acted in accordance with the law.

Poland: Draft Constitution Discussed, Criticized

WS2506081796

[FBIS Report] On Wednesday, 19 June, the Sejm Constitution Commission completed the draft of the new constitution. On 20 and 21 June, major vernacular dailies discuss differences between the small constitution and the new draft, report on the controversy it raised in political circles, and carry their own assessments.

On June 20, GAZETA WYBORCZA, a large center-left daily, carries a 700-word report by Agata Nowakowska on page four entitled "Basic Differences." Among the most significant changes, the report mentions a curtailment of the president's powers: "The so-called presidential ministries will no longer exist. The prime minister will no longer have to solicit the president's opinion on the appointment of the defense, interior, and foreign ministers. The prime minister is to appoint all ministers himself. The president, in turn, is to 'exercise his rights in the field of foreign policy in cooperation with the prime minister and the foreign minister.' Members of parliament have also curbed the power of the head of state over the armed forces. The president is to remain the commander in chief, but in times of peace he is to 'exercise command in cooperation with the defense minister.' The commission has deprived the president of the privilege of appointing the chief of General Staff, who is to be appointed at the motion of the prime minister, and the president is only to approve the appointment. The president will also have no right to veto the budget law."

The report goes on to mention new rights to be acquired by citizens: "Groups of 100,000 citizens can submit their own draft laws to the Sejm. Anyone who claims his constitutional rights have been violated can appeal to the Constitutional Tribunal." The powers of the Constitutional Tribunal itself are to be expanded: "It is to settle controversies of authority between the president, the Sejm, and the government. The verdicts of the Constitutional Tribunal are to be final," reports GAZETA WYBORCZA, going on to recall that currently "the Sejm can overrule verdicts of the Constitutional Tribunal that are not in the government's favor" by a two-thirds majority vote, in which case "the law remains effective, albeit unconstitutional." Nowakowska points out that the commission has made sure the tribunal's verdicts will not take the government by surprise: "It [the government] will not be forced to spend an additional several trillion zlotys only because the judges question one legal act or another. The draft provides that, if verdicts entailing expenses not provided for in the budget law are passed, the tribunal, after consulting with the government, may decide that the questioned legal regulation remains effective—however, no longer than for one and a half years for laws and one year in the case of ordinances."

As for church-state relations, the draft constitution provides that "churches and religious associations share equal rights, state authorities remain neutral on the issue of religious beliefs, the state's relations with churches are based on 'reciprocal autonomy and independence,' and church-state relations are to be defined by the Concordat." The report goes on to conclude that "the basic administrative units are gminas, powiats, and voivodships," and not gminas and voivodships.

On 21 June, GAZETA WYBORCZA carries a 2,000-word article by Roman Graczyk—"B Minus"—discussing and assessing the draft of the new constitution. Graczyk notes that the draft "contains a wide catalog of individual and political rights and freedoms. It guarantees the freedom of speech, assembly, beliefs and convictions. It provides for the right to a court trial, protection of privacy, active and passive electoral rights, and so forth. The draft reinstates the canon of human rights recognized the world over." "Second," the author writes, "it provides for mechanisms allowing citizens to claim their rights." He points out that "each citizen can complain about a law (or any other normative act) to the Constitutional Tribunal." "Third," the article goes on to say, "the opening article of the chapter 'The Rights, Freedoms, and Responsibilities of the Individual and the Citizen' reads: 'The individual's natural and inalienable dignity is inviolable.' When controversy arises, this metanorm allows one to look at the law from the standpoint of common sense and a sense of justice."

Graczyk admits that "unfortunately, those critics who see traces of PRL constitutionalism in the draft of the new constitution are right." He explains: "Apart from personal and political rights and freedoms, articles in the constitution no one questions, the draft lists socioeconomic rights and freedoms. The list is too long. There is no sensible reason to provide for the government to set minimum wages or place the government under the obligation of 'implementing policies targeted at full productive employment.' It is equally erroneous to place the state authorities under the obligation of 'fostering physical education and sports' or to implement policies 'conducive to satisfying the housing needs of the citizens.' These are typical tasks of the state—some of them debatable (for example, full employment). Such provisions included in the constitution lead to confusion between political order and an orderly state system."

Graczyk goes on to say that the authors of the draft "give several privileges on with one hand, only to take some away with the other." By way of example, he quotes Article 65, "which stipulates that the state can be called to account for its social obligations only 'within the framework of the constitution.' The unemployed will thus not be able to accuse the government of violating the constitution because it failed to find them jobs. Neither will the homeless be able to press charges that they were evicted from their homes because they had not paid the rent. The only thing they can complain about is the violation of the law on group dismissals or the housing law, if applicable." "This is sheer fiction," writes the author. "No government can guarantee full employment. This is possible only in a central planning economy. An unwary reader of the draft constitution might conclude, however, that the government will provide him with housing—because it has the responsibility of 'ensuring that housing needs are met.' The state, naturally, will not provide housing. It should not. But why cheat the people?" The article says the draft "clearly states that the government governs. The Council of Ministers must, naturally, have the backing of a Sejm majority. If it does not, the president may appoint an extraparliamentary government or even dissolve the Sejm and call new elections. If there is a parliamentary majority, however, the constitution provides the president with instruments of disciplining that majority. The most important of those instruments is the mandatory constructive vote of no confidence—this means that the government remains in power until the opposition creates a new coalition capable of forming a new majority cabinet." Graczyk notes that this is a major change as compared with the small constitution, under the provisions of which "the government fell once it lost majority backing in parliament, even if the established antigovernment coalition was unable to reach agreement as to the composition and policy of the new cabinet."

"The draft," Graczyk continues, "eliminates the duality of power in foreign policy, the armed forces, and the Ministry of Internal Affairs by disposing of the provision on the so-called overall supervision of the president in these areas." Despite all of the advantages, however, Graczyk says "the draft is inconsistent." He explains: "In setting the model for a parliamentary-cabinet system, it makes serious exceptions from the rules. One of them seems to seriously undercut the entire construction: Sejm elections are to be proportional. This means that a simple statute could remove the 5-percent threshold provided for in the current Electoral Law. If—God forbid—this ever happened, all of the instruments provided for by the new constitution to strengthen the government might prove insufficient." Having stated that the draft is "clearly far better" than the small constitution currently in effect, the author goes on to conclude: "Will parliament be capable of passing a better constitution if the current draft is rejected in the referendum? In view of the fact that Solidarity and ROP [Movement for the Reconstruction of Poland] or Lech Walesa's camp might gain significantly more power after the elections, this draft constitution seems by far better than what they are proposing."

Warsaw ZYCIE WARSZAWY, a center-right daily, carries on 21 June a 1,500-word report on page three by Roman Strzemiecki entitled "A New Tug of War," on the controversy stirred by the draft of the new constitution in political circles. Jan Olszewski, chairman of ROP, is quoted as saying: "This is a constitution fit for an African state. It is a continuation of the Polish People's Republic." He told the ZYCIE WARSZAWY reporter that "It does not include a preamble that would refer to history and the continuity of the state. It lacks an invocation to God, an Invocatio Dei." He goes on to say that "the adopted draft is the opposite of our citizens' draft. It does not provide for a model of profamily policies, an economic or political system. It does not specify the election laws," he said. Strzemiecki goes on to quote Krzysztof Krol of the Confederation for an Independent Poland: "The draft will generate conflict in the section where it describes the legislative and executive powers. The rightists reject it. It provides for a parliamentary model that will never take root in Poland." The report goes on to state that "The Union of Labor [UP] has raised 10 points of the draft constitution it does not agree with."

Stanislaw Rogowski, a member of the commission, told ZYCIE WARSZAWY: "There is no mention that all citizens are to enjoy equal rights." The author goes on to add that Rogowski "demanded that a provision on the Prosecutor's Office be included so as to protect it against politicization." UP Chairman Ryszard Bugaj disagrees with the provision on the reciprocal autonomy of the state and church: "We have always stressed that we acknowledge the church's autonomy from the state, but not the state's autonomy from the church," he is quoted as saying. "Four-fifths of the draft projects submitted to the Constitutional Commission advocated a single chamber parliament, yet the commission adopted a draft providing for retaining the Senate by a two-thirds majority vote," said Bugaj.

Hanna Suchocka of the Freedom Union announced a "fierce political and ideological battle for the preamble." Jan Maria Rokita, her party colleague, rejected the draft "in its entirety." Strzemiecki quotes Walesa as saying of the draft constitution: "It is a huge compromise, and compromises are not good. There is no reference to historical continuity." "I am deeply convinced," Walesa says, "that the citizens will reject this draft in a referendum unless it provides for values shared by the nation."

Poland: PSL Aims To Attract Voters in Towns

WS2406140496 Warsaw RZECZPOSPOLITA in Polish 21 Jun 96 p 3

[Article by Ewa K. Czaczkowska: "The PSL Is Trying To Offset Losses in Towns"]

[FBIS Translated Excerpt] *The appearance of Waldemar Pawlak, Polish Peasant Party [PSL] chairman, in the Gdansk Shipyard may be a sign that he is trying to offset losses among PSL voters; other parties are actively trying to attract them. Another reason for Pawlak's involvement in the shipyard affair may be that he is trying to create an image of himself as a politician independent of the program that is being implemented by the government.* [passage omitted]

Recently, rural voters were visited by Freedom Union [UW] Chairman Leszek Balcerowicz; the UW politician announced that the PSL policies are antipeasant. Another person who recently visited the rural electorate is Jozef Oleksy, leader of the Social Democracy of the Polish Republic, who said that the left wing would soon reveal its policy for the rural areas. The peasants interpreted this not only as a fight for electorate, but also as an attack on the PSL. [passage omitted]

The PSL has already won its fight for the rural electorate with the rural Solidarity, the Polish Peasant Party-Peasant Accord. Now the peasants will have to fight not only with the Democratic Left Alliance, but perhaps also with the Movement for the Reconstruction of Poland and UW, which are dangerous for the PSL's rural electorate. If it incurs any losses in the rural electorate, the PSL will want to offset them in towns—by broadening its electorate and winning over people who are dissatisfied with the ongoing changes and who long for state intervention in the economy. [passage omitted]

Poland: 'Gray Eminences' in Coalition Profiled

WS2506090496 Poznan WPROST in Polish 16 Jun 96 pp 21-24

[Article by Jerzy Slawomir Mac: "Wars of Influence; Gray Eminences in Power"]

[FBIS Translated Text] *"Gray eminences in Poland have a larger influence on decisions than ordinary citizens," Lech Walesa's spokesman, Marek Karpinski, claims. This is possible, he notes, because the president's, parliament's, and government's powers have become so undefined. "Today, nobody serves a constitutionally defined function anymore. Even the secret service has fallen apart," Professor Lech Falandysz [former top aide to president Walesa] concedes.*

What characterizes a gray eminence is the disproportionately large influence he has in contrast to his official title. Mieczyslaw Wachowski, head of the Presidential Office, was the gray eminence of Walesa's presidency. During [Waldemar] Pawlak's prime ministership—it was Professor Franciszek Mleczko—head of his team of advisers. Gray eminences must be sought elsewhere nowadays.

The charge made shortly after Marek Ungier's (head of president Kwasniewski's Presidential Office) appointment that he has acted as "Kwasniewski's Wachowski," as it were, had not been confirmed until now. Andrzej Potocki, spokesman for the Freedom Union, observes that politics is a team game in which the strength of the team is measured not only by its players in the field.

According to an official in the Presidential Office, undersecretaries of state Krzysztof Janik and Barbara Labuda, often publicly seen representing that office, have less say in presidential policy matters than their par Andrzej Majkowski, head of the Bureau for International Contacts, who has preferred to remain in the shade. "Some facts from [years] spent together in the youth movement" may explain why his position is so firm. The influence Andrzej Barcikowski, head of the prime minister's team of advisers, has on the prime minister, does not seem large, and the role of the body he presides, though staffed by almost forty members, appears to be rather ornamental. In contrast, Boguslaw Zaleski, director of prime minister Cimoszewicz's office, seems to occupy a significantly more important position; he is a graduate of the Institute of Political Studies of Warsaw University, established to replace the Philosophy Department—which was closed down in 1968. His acquaintanceship with [Minister of Internal Affairs] Zbigniew Siemiatkowski dates back to college days at the same institute. A member of the Polish United Workers Party [PZPR] since college, he campaigned for election to the Sejm, and during Aleksander Kwasniewski's presidential campaign was a member of his "brain" team.

According to Andrzej Szczypiorski and Andrzej Potocki, Jozef Oleksy is a gray eminence. Although he occupies no state office, he continues to exert enormous influence on power structures. Both Michal Strak, formerly head of the Council of Ministers, now member of the National Radio and Television Council, and Jolanta Kwasniewska [wife of the president], said to have "gone so far as to instruct local authorities," are perceived as gray eminences by Krzysztof Krol of the Confederacy of an Independent Poland [KPN]. In the opinion of Jerzy Gwizdz of the Nonparty Bloc in Support of Reforms [BBWR], such persons occupy the top positions at the Ministry of Privatization. Yet for Andrzej Urbanczyk, spokesman for the Democratic Left Alliance [SLD], Andrzej Milczanowski, [former Minister of Internal Affairs] is such a person, "who, as if from beyond the grave, will for a long time continue to influence the situation in Poland."

Most politicians, even those from the Polish Peasant Party [PSL], believe that of the people currently in power, Leszek Miller, Andrzej Anklewicz, and Marek Borowski more than anybody else, have far more leverage than should follow from the positions they occupy in the echelons of power.

"Though Miller, the head of the Council of Ministers, has merely administrative powers, he is also engaged in a broad scope of activities and has enormous influence over state policies," Andrzej Potocki observes. He is strengthening his position in the party through staffing changes in the state apparatus. "I think that he will become the leader of the party at its upcoming congress," adds Janusz Piechocinski, deputy leader of the PSL parliamentary club.

Leszek Miller is living proof of the political theory that power goes with the person rather than the position occupied. As minister of labor, Miller served as chairman of the Sociopolitical Committee of the Council of Ministers, and has continued in that function even now as head of the Office of Council of Ministers. He has made smooth comments on such issues as Christian-Jewish dialogue or leaks made to the press by the Office for State Security [UCP], and in his remarks on the resumption of construction work on a shopping center in Auschwitz, he hinted at the possibility of issuing orders to the police—as if he had already felt poised as head of the planned ministry of administration and internal affairs. "His short statement about the possibility of PSL losing one hundred positions in state government brought loud reverberations," Marcin Przybylowicz, secretary of the Republican Party, observed.

Miller's knowledge of a variety of state matters is indeed impressive. During a question and answer period in the Sejm, during which ministers Siemiatkowski and Kubicki replied to questions from parliamentary deputies, he entered the rostrum uninvited to inform the meeting that publishing materials in the NIE daily on the confidential exchange of letters between the Foreign Ministry and Vatican on the subject of the Concordat "was not a planned leak." "How could he have known, and did he have the authority to make such a statement over the head of the minister of foreign affairs in charge of diplomacy?" This question was asked in the halls of the Sejm.

Andrzej Anklewicz was one of the closest aides to [former] Minister of Internal Affairs Czeslaw Kiszczak. He was responsible for running the information department there and later served as chief of the group of advisers to Prime Minister Oleksy. Appointed to the post of deputy minister shortly before Oleksy's resignation in January, he now practically runs the ministry in his capacity as first deputy minister. His responsibilities include maintaining supervision over the police and, in practice, over the UOP, after the dismissal of key figures in the service and promotion of the earlier little known Colonel Kapkowski.

"This formally apolitical officer is often seen with SLD leaders and has become an influential person," Andrzej Potocki observes.

"It is difficult to underestimate the influence of Marek Borowski," believes Deputy Sejm Speaker Slawomir Nowakowski, of the New Democracy Party. Borowski's surprising remark that "SLD cannot continue to exist indefinitely" was taken by leftist parties as a directive, rousing only feeble and scattered attempts at debate. He also played a leading role at the clandestine meeting of the SLD leadership, held at a former PZPR central committee conference center in Mierki, to discuss issues related to the Concordat. It was there that Borowski took over, as it were, the prerogatives of parliament, the Ministry of Internal Affairs and Presidential Office in this scope. In the history of the party, the office of deputy speaker has several times been a springboard to top positions. Before assuming the office of prime minister, Wlodzimierz Cimoszewicz served as deputy speaker, as did Mieczyslaw Rakowski, for whom it was a stopover in his career as the last PZPR first secretary.

Many SLD parliament members believe that although Mieczyslaw Rakowski holds no official functions in SLD, as one of its leading ideologists along with [Education Minister] Jerzy Wiatr, he is also a gray eminence of that party.

Deputy Ryszard Ulicki calls them "illusionists who, during a party congress one night, put the Communist Party into a hat and pulled out a Social Democratic party." Today, both of them present the party line in such publications as TRYBUNA and PRZEGLAD TYGODNIOWY. Wiatr's oft-repeated statement that "if you want to have your own minister, win the elections" can be seen as an expression of the existing principle of SLD power. "It's our party conscience!" Ulicki claims authoritatively. "There are those in every party who command authority and gain informal control. Because they are able to project their goals in a lucid manner, other members of the party shift towards them. Psychological rapport and shared experience are an important factor," Andrzej Urbanczyk explains.

The example of such SLD deputies as: Jerzy Dziewulski, Janusz Zemke, Stefan Paszczyk, Tadeusz Iwinski, and Longin Pastusiak (a nonaligned deputy at present) shows that real influence is independent of the formal position held in the party hierarchy. Both Iwinski and Pastusiak are chairmen of the permanent delegations of both chambers of parliament to parliamentary assemblies of the West European Union and the European Council and have practically gained a monopoly hold on international affairs in the ruling party, using the foreign contacts they had established earlier. Tadeusz Iwinski has also made skillful use of his knowledge of classified information imbued during sessions of the Sejm's special commission.

Jerzy Dziewulski, chief of security for Aleksander Kwasniewski during the presidential campaign, nominally the deputy chairman of the Sejm's Commission for Internal Affairs, and Stefan Paszczyk, head of the Office of Sports and Tourism, are among Kwasniewski's closest associates outside the Presidential Office. They accompany him at meetings and on trips far more often than their official functions require. As his tennis partners, they not only discuss sports. Jerzy Dziewulski is also his party's most notable authority on dozens of other issues—from press photography to prosecutor's inquiries, on which he regularly comments for TRYBUNA.

The example of Jerzy Zemke, a former activist at provincial and central PZPR levels, is in itself puzzling. His term as chairman of the Supervisory Board of the bankrupt Bank Posnania would have spelled political death to any other person, yet for him paved the way to top secrets. He was twice mentioned as a possible candidate for the position of minister of defense. Opposition members believe that as a member of the Sejm's special commission, he has right from the beginning been responsible for leaks from meetings, as well as coordinating SLD's tactics in the [Oleksy] case—surely not without the knowledge of the minister of internal affairs. Very early, at one of the Commission's first hearings, he expressed doubts as to why intelligence rather than counterintelligence services ought to probe into the Olin case, which Colonel Gorzkiewicz [army prosecutor appointed to determine whether a formal inquiry should be initiated] later used as an argument.

In an interview on Radio Zet, Zemke was the first to announce that "there no longer is an Oleksy case, but an Office of State Security case." This statement was followed by the discharge of UOP generals [involved in the inquiry], an internal UOP investigation, and the television appearance of Prime Minister Cimoszewicz, who was "shattered" by its results. Also, after the striking disclosure that O. (Olin) was a figurehead for the Polish secret services, Zemke went two steps further by pointing out that the real issue was the case of Marek Zielinski, sentenced in 1994 for spying for Russia, and by hinting that Anklewicz was [the man codenamed] Olin. Janusz Zemke has also recently "set" the date for next year's parliamentary elections—they are to take place in May.

Zemke may be a good example of how difficult in practice it is to distinguish between SLD's political influence and the leverage it has due to its [solid] base in business—Piotr Marciniak, a deputy of the Union of Labor [UP], observes.

Therefore, it comes as no surprise that in the opinion of Janusz Korwin-Mikke, leader of the Union of Real Politics [UPR], Jerzy Urban is the gray eminence of the Social Democracy of the Republic of Poland [SdRP]. As publisher of the DZIS monthly magazine, Urban finances party ideologists employed there, including editor in chief Mieczyslaw Rakowski. Viewed from this perspective, Dariusz Przywieczerski and Jerzy Napiorkowski, top executive officers of the Universal Company, can both be recognized as gray eminences of leftist parties. Universal, through the companies it controls, is responsible for financing TRYBUNA, PRZEGLAD TYGODNIOWY, and Univ-Comp, a book publisher servicing the needs of the ruling party.

Also deserving mention is Andrzej Arendarski, president of the Polish Chamber of Commerce [KIG]. This former deputy of the Liberal-Democratic Congress [KL-D] party is now closely tied to the existing power structures and exerts a certain measure of influence over its economic plans. The KIG has its own regular column in TRYBUNA, where Arendarski also publishes articles as a commentator, and parliament members from the coalition have reciprocated by forcing passage of draft legislation on economic self-government favoring KIG. In a television discussion on the draft, its opponent Jan Krol, a UW deputy, was strongly countered by Jozef Lochowski, representing PSL, who, together with Leslaw Podkanski, is one of the "strong men" of the Peasant Party's business and political lobby. Podkanski's influence will probably be felt in PSL for as long as he is tied to Piotr Bykowski.

Professor Janusz Czapinski, a social psychologist from the University of Warsaw, points out that members of advisory boards, clerks, or secretarial staff may be gray eminences just as well. "Many documents pass through their hands and are processed according to their judgment; They schedule meetings for their bosses, they feed them with semidigested issues," he recites. Piotr Zak, the Solidarity spokesman, thinks that Grzegorz Rydlewski performs such a function in the government. His job has been to prepare documents for cabinet meetings, which he has done for years despite many changes of government. Edward Szymanski has a similar role in the Sejm. He is director of the office of the SLD parliamentary club, and is now "showing the ropes" to his younger colleagues in parliament. Worth noting among Leszek Miller's associates is Ryszard Naleszkiewicz, in the past a journalist for the trade union press, an adviser to Miller at the Ministry of Labor, and currently director of the Independent Advisory and Analysis Department at the Office of the Council of Ministers.

"These people perform a similar role to that of all so-called gray eminences in the past. Yet today, nobody can by themselves exert too great an influence on the situation in Poland. Despite what is said, power is more diffused now than three years ago, and the inflated ambitions of some people to influence the turn of events is met by similar ambitions of other people," notes Czapinski.

Slovenia: President on Successes, Problems Since Independence

AU2506074296 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 24 Jun 96

[Report by Sandi Frelih on news conference by Slovene President Milan Kucan with unidentified foreign journalists on the occasion of the fifth anniversary of Slovene independence, in Ljubljana on 24 June—recorded]

[FBIS Translated Text] [Frelih] Milan Kucan said: We are successfully realizing the goals of independence—creation of the state, securing its place in the world, and the realization of reforms allowing autonomous decisionmaking on economic, social, and other development issues. The main characteristics of the independence project were the legally passed decisions, the efforts to resolve the crisis peacefully, and the peaceful transition from one political system to another.

Kucan indicated there was great unity in the process of gaining independence and creating the state but a lack thereof in regard to internal organization of life in the country. At present the country is developing successfully. The president stressed that the ownership transformation has not been completed yet and that there is not enough sensitivity to social problems, which we would have encountered even if we had not pursued independence. Politically, too, there are problems in creating an awareness of the state:

[Kucan] We came to realize that the state is not merely our right but also our responsibility, that the it should be respected, that the authority of the institutions should be respected, and that the institutions of the state—all three aspects of the authority—have the duty of ensuring their own authority.

The cases of party autarchy are the problem; that is, the behavior or the tendency in the party to appropriate the state for themselves, forgetting that the state belongs to the people, the parties serve the state, and the state serves the citizens.

[Frelih] The low degree to which the state is governed by law is most evident in the observation of laws and individual rights and is reflected in the protracted administrative and legal procedures. Nevertheless, Milan Kucan believes that aspirations for independence have been met.

Answering questions from foreign journalists, Kucan said the issue of the option-takers' real estate was resolved with the Rome Treaty and that if Italy believes the matters are not resolved, it should take the initiative. The EU associate membership and the talks with NATO place us in the stable part of Europe. The relations with the FRY [the former Republic of Yugoslavia] are, after its recognition, also dependent upon it, under certain circumstances. As for the coalition after the elections, Kucan says it should be good, stable, and capable of assuming responsibility for Slovenia's future.

Slovenia: Prime Minister Delivers Independence Day Speech

AU2506112296 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 24 Jun 96

[FBIS Translated Text] A ceremony marking the fifth anniversary of Slovenia's independence was held in the Cankar Hall in Ljubljana tonight. In his speech, guest of honor Prime Minister Janez Drnovsek, stressed, among other things:

[Begin recording] Twice this century, due to global upheaval, the Slovenes either could not or did not know how to create a country that would be entirely our own. We succeeded the third time around. Democratic ideas shattered the steel armor of the Eastern bloc, the equilibrium of power and fear collapsed, Europe started to change, and a moment came when people's self-determination was no longer a dead letter on paper but a viable option. This time, the Slovenes took advantage of the moment and seized their opportunity. With a determined defense and successful diplomacy we established a factual sovereignty throughout our territory; we set up our own democratic state.

We managed to avoid a protracted and extensive war, great casualties and devastation, which some other nations unfortunately could not avoid. Looking back in time now we see what a terrible crisis we managed to avoid, a crisis that has over the past few years burdened not merely our neighbors but the entire international community.

We Slovenes find it difficult to be satisfied with ourselves. Perhaps, this is only right. However, in moments such as today's we can proudly look back on the path that we walked over the past five years. We managed to assert our young country internationally and find our place in the sun. For a nation of 2 million this often is not as self-explanatory as it may seem. Today, Slovenia is a member of all the most important international institutions, and is strengthening its place in the institutions we sought to join five years ago, when we proclaimed our independence—a place in a democratic, intertwined Europe, a place in the political, economic, and defense alliances of the Western democratic world. [end recording]

This afternoon Prime Minister Drnovsek also held a news conference, at which he assessed, among other things, that we have used the past five years well. He stressed that Slovenia during this period became a member of numerous international, political and economic organizations. Recently, we become an EU associate member.

Prime Minister Drnovsek also spoke about relations with Italy and assessed that dialogue with Rome had started.

Slovenia: Finance Minister Presents New Tax Law Proposals

AU2406091796 Ljubljana SLOVENEC in Slovene 11 Jun 96 pp 1, 5

[Article by Vida Kocjan: "The New Tax Laws Already Meet European Standards"]

[FBIS Translated Excerpt] Together with his colleagues, Slovene Minister of Finance Mitja Gaspari yesterday presented the basic characteristics of the proposal for the Law on Value Added Tax [VAT; davek na dodano vrednost] and the Law on Excise Duty [davek o trosarini]; they are administratively very demanding. The officials also presented the outline for the Law on the Taxation of Property. When formulating the regulations, they based their work on the direction of the European Union [EU], and the minister expressed his hope that the laws would be put into effect on 1 January 1998, when tax reform is also to be finished.

The introduction of new and higher taxes will cause a 10 to 12 percent increase in prices, but we will thus also partially cover the obliteration [izpad] of customs tax income. Due to yesterday's signing of the associative agreement with the EU, customs will be 45 percent lower (35 billion tolars less will go into the budget), for which the state will substitute an increase in the price of gasoline. The taxes on the import of vehicles will, according to Gaspari, not change.

The new laws demand a very well organized and expertly proficient tax agency (DURS [Davcna Uprava Republike Slovenije]—Tax Administration of the Republic of Slovenia]), which will begin operating on 1 July 1996. The director will be confirmed by the government on Thursday, and according to unofficial information the candidate for the position is Albin Socej from Celje.

One of the extremely important goals of Slovenia is joining into the world and especially the European movements. The main condition that enables equal economic cooperation is the adaptation of the regulations of the economic, technological, and developmental area to the regulations that are valid in the countries with which Slovenia is already cooperating or wishes to cooperate with. The adaptation of regulations does not only mean making the economic conditions equal, but also the creation of competitive advantages in the economy. We were told yesterday—when Minister of Finance Mitja Gaspari, state secretary Milojka Kolar, state undersecretary Marija Ferlez, and the governmental adviser at the Ministry of Finance, Sinisa Mitrovic, presented the regulations of the new laws—although the government has not yet considered them—that one of the important areas that needs to be taken care of, or have a supplement added to it, is also the tax area.

By early 1991 Slovenia had already put into force a new system of public financing, from which tax reform was carried out and public finances were regulated. This has been set up to replace the long-lasting previous system of "social finances," and set up a tax system that is to be, in principle, comparable to the tax systems of countries with a market economy. In these countries the most important sources to fill the state treasury are sales tax [prometni davek], social security contributions, and income tax. According to Gaspari, tax reform is to be finished in 1998, and in the meantime important laws also have to be passed. Apart from the laws already mentioned, the Law on Income Taxes also needs adjusting. Direct taxes [dajatve] are also to be introduced, and these will be done with the introduction of VAT and an excise duty on so-called monopoly products. [passage omitted]

Federal

FRY: Milutinovic Says Serbia Will Not Act To Catch Karadzic

LD2406184496 Helsinki Suomen Yleisradio Network in Finnish 1600 GMT 24 Jun 96

[FBIS Translated Text] Serbia will take no action to catch Bosnian Serb leader Radovan Karadzic and hand him over to The Hague war crimes tribunal for former Yugoslavia. Milan Milutinovic, foreign minister of rump Yugoslavia, reiterated frankly his country's view when he had talks in Belgrade with Finnish Foreign Minister Tarja Halonen, who is visiting former Yugoslavia. The Federal Republic of Yugoslavia, consisting of Serbia and Montenegro, formally justifies its view on the grounds that Karadzic and Ratko Mladic, who is also accused of war crimes, are citizens of another country.

Halonen pointed out that the international community demanded that those who are accused of war crimes should not stand as candidates in next autumn's elections but handed over to The Hague.

[Belgrade TANJUG in English at 1655 GMT on 24 June adds: "Yugoslav Foreign Minister Milan Milutinovic said in Belgrade on Monday that a meeting with Finnish Foreign Minister Tarja Halonen was a new start in the traditionally good relations between the two states and that Finland would back Yugoslavia's reintegration into international integrations.

"In a statement after a meeting with the Finnish minister, who is on an official visit to the Federal Republic of Yugoslavia, Milutinovic said that they had thoroughly discussed all issues of importance to the two countries.

"Milutinovic said that the meeting had focused on prospects for upgrading bilateral relations, the implementation of the Dayton accords and the realization of the agreement on the Srem-Baranja area.

"The two sides agreed that a consistent and global implementation of the peace agreement for Bosnia-Herzegovina constituted a basis for reestablishing lasting peace and stability, renewing economic cooperation and establishing links in the region, Milutinovic said, pointing to Finland's constructive role in the peace process in that Former Yugoslav Republic.

"Halonen pointed to the importance of a restoration of full diplomatic relations between the two countries and said that Finland backed the peace process in Bosnia and a process of reconstruction of the former Yugoslavia.

"Finland will intensify its diplomatic activities in the region in the period to come in order to enable the region to become a good partner for the European Union (EU), Halonen said.

"Halonen also said that after Belgrade she would visit Bosnia-Herzegovina and Croatia, another former Yugoslav republic."]

FRY: Milutinovic Calls Kosovo 'Internal Matter'

LD2406211096 Helsinki Suomen Yleisradio Network in Finnish 1900 GMT 24 Jun 96

[FBIS Translated Text] The Federal Republic of Yugoslavia, i.e. Serbia and Montenegro, has reiterated its position that it will take no action leading to the arrest of the Bosnian Serb leader Radovan Karadzic, who is accused of war crimes. Milan Milutinovic, foreign minister of Serbia-Montenegro, spoke of his country's position to [Finnish] Foreign Minister Tarja Halonen in Belgrade. In the view of Serbia-Montenegro, Karadzic and the other internationally wanted Bosnian Serb military leader Ratko Mladic are citizens of another country.

Speaking about the inflammable situation in the Kosovo region, which has an Albanian majority and belongs to Serbia-Montenegro, Milutinovic told Halonen that it is an entirely internal matter for Belgrade.

The UN's human rights rapporteur Elisabeth Rehn, who met Foreign Minister Halonen in Belgrade, said that the EU should definitely set up a liaison office in Kosovo to monitor the situation in the region. The United States already has such an office in Kosovo.

FRY: Milosevic, Finland's Halonen Favor Peaceful Policy

LD2406212796 Belgrade TANJUG in English 2107 GMT 24 Jun 96

["Pool" item]

[FBIS Transcribed Text] Belgrade, June 24 (TANJUG)—Serbian President Slobodan Milosevic and Finnish Foreign Minister Tarja Halonen agreed Monday that a peaceful policy and equal cooperation among states and peoples was the most reliable basis for their comprehensive progress.

Milosevic and Halonen agreed that such stands would encourage comprehensive bilateral links between states and nations and stimulate the current integration processes in Europe and world-wide.

They emphasized that the Federal Republic of Yugoslavia had been making a great contribution toward these objectives, urging, before all, the consolidation of the political situation in the Balkans.

Yugoslavia is convinced that the future of Balkan states and nations should be built on their full equality, mutual trust and common interests as the prerequisites for the welfare of them all, a statement released from Milosevic's cabinet said.

This is why Yugoslavia expects that its continuous and persistent engagement becomes a constitutive part of the international community's constructive efforts to this end, the statement said.

This engagement includes Yugoslavia's equal and active participation in all international organizations and forums, which is in the interest of the affirmation of political dialogue and resolving outstanding conflicts and crises by political means, the statement said.

Milosevic and Halonen emphasized a positive trend in the development of bilateral relations and concluded that favorable conditions and mutual interest existed for a continuous and stable cooperation between Yugoslavia and Finland.

Halonen arrived in Belgrade on Sunday for an official visit to Yugoslavia.

FRY: Kontic, Finnish Foreign Minister Discuss Issues

LD2406210796 Belgrade TANJUG in English 2049 GMT 24 Jun 96

[FBIS Transcribed Text] Belgrade, June 24 (TANJUG)—Yugoslav Prime Minister Radoje Kontic late Monday spoke highly of Finland's contribution to the settlement of the Yugoslav crisis, especially its role in diplomatic, military and humanitarian areas.

In a talk with Finnish Foreign Minister Tarja Halonen, Kontic also welcomed Finland's decision to reestablish diplomatic relations with Yugoslavia at ambassadorial level, the Yugoslav Information Secretariat said.

The reestablishment of diplomatic relations at ambassadorial level and the foreign minister's visit are the best confirmation that both sides are ready to renew and promote bilateral cooperation.

Halonen said the Finnish government highly appreciated Yugoslavia's role and contribution in achieving and maintaining peace in these lands.

She was especially interested in Yugoslavia's economic possibilities and the future of economic cooperation with former Yugoslav republics, the statement said.

Kontic expressed Yugoslavia's readiness to cooperate with all countries, including former Yugoslav republics, on an equal basis. He underscored the need for the due implementation of the Dayton accords, including the holding of elections in Bosnia-Herzegovina by the set deadline (Sept. 14, 1996).

Kontic and Halonen said conditions had been met for comprehensive bilateral cooperation, especially in the areas of the economy, trade and investments. They pointed out that new state agreements should be renewed or new ones made as soon as possible in order to promote primarily scientific-technical and cultural-educational cooperation.

The biggest obstacle to cooperation, not only with Finland, but also other countries of the European Union and elsewhere in the world, was the outer wall of sanctions, said the statement.

Kontic therefore pointed out the need for the soonest possible normalization of overall relations between Yugoslavia and European Union countries, and Yugoslavia's speedy return to all international political, financial, and trade organizations and institutions.

FRY: Milosevic Meets PRC Chemical Corporation Delegation

LD2406212596 Belgrade TANJUG in English 2109 GMT 24 Jun 96

[FBIS Transcribed Text] Belgrade, June 24 (TANJUG)—Serbian President Slobodan Milosevic on Monday received a delegation of the Sinochem group from China, headed by Zeng Danhun, the president of the board of managers of this major chemical corporation which cooperates with the oil industry of Serbia NIS.

The Chinese delegates informed Milosevic about the two companies' joint deals, including the most important barter deal which is worth 300 million dollars.

The barter deal secures imports of crude oil into Yugoslavia and exports of Yugoslav industrial products to the Chinese market.

The two sides agreed in the talks that there was great mutual interest in expanding economic cooperation.

Serbia

Serbia: Bildt Meets Milosevic, Issues Warning

AU2406204596 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 24 Jun 96

[Report by Jelena Vidic]

[FBIS Translated Text] Serbian President Slobodan Milosevic today received Carl Bildt, high representative of the international community for Bosnia. The talks focused on the realization of the civilian part of the

Dayton agreement. The importance of the responsibility to respect the obligations that stem from the peace agreement was stressed in particular. The talks were also attended by Federal Foreign Minister Milan Milutinovic.

Here is a report by Jelena Vidic on what Carl Bildt had told journalists after the talks:

[Begin Bildt recording in English fading into Serbo-Croatian translation] We spoke in detail about the implementation of the peace process, especially the course of political events in the Serb Republic, where the practice of disregarding the provisions of the peace agreement continues. The insistence on Radovan Karadzic's appearance on the list of candidates at the elections has led to 90 percent of the aid for economic reconstruction of Bosnia-Herzegovina being given to the Muslim-Croat Federation, Carl Bildt warned.

We want to adopt the same attitude to the parties, but the Serb Republic has found itself in the situation to be sanctioned.

We are just going through a very difficult stage in the implementation of the peace agreement and if the leadership of the Serb Republic does not behave correctly, things could take a turn for the worse, Carl Bildt concluded. [end recording]

Serbia: Milosevic Meets UN Human Rights Spokesperson

AU2406185596 Belgrade BETA in Serbo-Croatian 1449 GMT 24 Jun 96

[FBIS Translated Excerpt] Belgrade, 24 Jun (BETA)—Elisabeth Rehn, UN special rapporteur for human rights, stated after her talks with Serbian President Slobodan Milosevic in Belgrade today that she was satisfied with the meeting, especially with the fact that the Serbian president has told her that she was always welcome if she wanted to talk to him.

"We spoke about Sandzak, Kosovo, Vojvodina, and Slavonia, and although our views are not always identical we respect each other's views," Rehn told journalists after the talks.

She said that she had expressed to the Serbian president her concern about the atmosphere in Kosovo because, as she said, of the misunderstanding and mistrust between the Serbs and Albanians there. [passage omitted]

Asked whether she had met the representatives of the Serb Republic [RS] in the Serbian presidency building (Biljana Plavsic and Nikola Koljevic today visited Belgrade), Rehn said that she did not and that she did not even know that they were in the building.

She said that she and the former RS Prime Minister are still good friends, and expressed dissatisfaction with the personnel changes in the RS.

Rehn also said that after visiting Vojvodina and Slavonia she would go to Sarajevo, and if she had time, she would also go to Pale. [passage omitted]

Serbia: UN's Rehn Says Kosovo's Independence 'Unrealistic'

AU2406201796 Belgrade BETA in Serbo-Croatian 1317 GMT 24 Jun 96

[FBIS Translated Excerpt] Belgrade, 24 June (BETA)—Elisabeth Rehn, UN special rapporteur for human rights in the former Yugoslavia, stated today that the demands for Kosovo's independence are unrealistic.

The UN special rapporteur held talks with Margit Savovic, federal minister without portfolio in charge of human rights, in Belgrade today.

After the talks, Rehn said that she knew about the demands for Kosovo's independence. "I think that this is an unrealistic objective and that this should not be expected. I advise autonomy," the special UN rapporteur for human rights said.

She said that she was "very concerned about the situation there, as it is more grave than last year."

"I still believe that the two sides should make further moves that will bring them closer together so that talks can begin. We cannot afford another conflagration in this part of Europe," Rehn said.

Elisabeth Rehn has expressed readiness to act as some kind of a "link" in these negotiations but not as a "mediator."

Rehn denied the report in the Podgorica weekly MONITOR that Serbian President Slobodan Milosevic had rejected her offer. "He did not comment on my offer, and, so far, he has not rejected anything absolutely," Rehn said. [passage omitted]

Montenegro

Montenegro: Prime Minister on 'Priority' of IMF Cooperation

LD2406163796 Belgrade TANJUG in English 1605 GMT 24 Jun 96

[FBIS Transcribed Text] Podgorica, June 24 (TANJUG)—Montenegrin Prime Minister Milo Djukanovic said in Podgorica Monday that a speedy renewal of cooperation with the International Monetary Fund (IMF) and settlement of succession with the former members of the Federation were a priority for Montenegro.

All indicators confirm that the republican economy is recovering, Djukanovic told a regular news conference. He said that the realization of a project dubbed 'Montenegro—Free Economic Area' would start soon and that it would bring about essential changes in Montenegro's economic development.

The government gives priority to upgrading direct cooperation with foreign partners and bilateral relations with countries which have a decisive impact on the international position of the Federal Republic of Yugoslavia and Montenegro. He pointed to success achieved by Montenegro in upgrading political and economic relations with the United States. He said that the government would intensify activities in restoring relations with the former Yugoslav republics and institutionalizing relations with the European Union.

Speaking about his visit to the United States in early June and a meeting with U.S. President Bill Clinton, Djukanovic said that it was a gesture of good will by Clinton to express support to the economic policy and democratic processes in Montenegro. Djukanovic said that Montenegrin President Momir Bulatovic would visit the United States in the months to come and that he would open a Montenegrin trade representation bureau in Washington.

Speaking about a conflict with the federal state regarding ownership of the airports in Montenegrin capital Podgorica and coastal town of Tivat, Djukanovic said that his government would introduce a public regime at the airports, regardless of that who will own them. Djukanovic voiced hope that the Montenegrin carrier Montenegro Airlines would start to function this season and said the government planned to buy one or several new planes for its needs.

Montenegro: Prime Minister Comments on Prevlaka, Croatia

LD2406161496 Belgrade TANJUG in English 1442 GMT 24 Jun 96

["Pool" item]

[FBIS Transcribed Text] Podgorica, June 24 (TANJUG)—Montenegrin Premier Milo Djukanovic said on Monday that the issue of the strategically important Prevlaka promontory, on the border between the Federal Republic of Yugoslavia and Croatia, is the main obstacle for establishing mutual links.

A new solution for Prevlaka can only be a final one, meaning that it should belong to Montenegro, i.e. Yugoslavia, Djukanovic told a press conference in Podgorica, Montenegrin capital.

Djukanovic said that the demilitarization of Prevlaka, now mentioned in Croatia, had already been proposed. "This represents the knocking on already opened doors. This is not a solution because the Cosic-Tudjman agreement called for demilitarization," Djukanovic said.

He said it was another matter that Croatia had failed to fulfill its demilitarization obligations.

Prevlaka, which was located within the administrative borders of the former Yugoslavia, is a strategically major promontory at the entrance of the Bay of Kotor on Montenegro's Adriatic coast.

Since the second half of 1992, Prevlaka has been under the control of the United Nations.

Montenegro: Djukanovic on 'Not Accidental' Clinton Meeting

AU2406192096 Belgrade BETA in Serbo-Croatian 1539 GMT 24 Jun 96

[FBIS Translated Excerpt] Podgorica, 24 June (BETA)—Montenegrin Prime Minister Milo Djukanovic stated today that his meeting with U.S. President Bill Clinton "was not accidental at all."

"The meeting had been agreed in advance, and Clinton, of course, had known that we would meet," Djukanovic said at a news conference.

He said that the meeting with the U.S. President was "a sign of his (Clinton's) support for the Montenegrin state and people and for their policies," adding that he [Djukanovic] "did not consider the meeting a personal success, but saw it, above all, as the recognition of Montenegro." [passage omitted]

Kosovo

Kosovo: SPS Official Rejects Idea of Kosovo Secession

AU2306152696 Belgrade BETA in Serbo-Croatian 1316 GMT 23 Jun 96

[FBIS Translated Excerpt] Kragujevac, 23 Jun (BETA)—Slavica Djukic-Dejanovic, vice president of the Socialist Party of Serbia (SPS), today stated that Kosovo is an integral part of Serbia and Yugoslavia.

"Kosovo-Metohija is a part of Serbia and the FRY [former Republic of Yugoslavia] in the territorial, political, and social sense. This is the view of our party and this is what the Constitutions of Serbia and the FRY state," Djukic-Dejanovic said in the "Pecat Vremena" program on Kragujevac Radio.

Commenting on the statement by Aleksandar Despic, president of the Serbian Academy of Sciences and Arts (SANU), made at the SANU's annual meeting that one way to resolve the Kosovo problem would be to agree to the secession of Kosovo-Metohija from Serbia, she said that this was the "personal view of one scientist."

"The program of our party and our state regarding Kosovo is clear and has not been altered in any way," Djukic-Dejanovic said. [passage omitted]

Kosovo: Serb Police Said To 'Increase' Repression of Albanians

AU2206193796

[FBIS Editorial Report] Pristina KOSOVA DAILY REPORT in English Nos. 904 and 905 on 20 and 21 June carry several reports on mounting police repression in Mitrovica following the latest incidents in which one Serbian policeman was killed and two were injured in questionable circumstances.

Citing the Democratic League of Kosova sources, a report on 20 June says that "in the early hours of June 18, over 30 policemen raided on the home of Sheremet A. Rrustemaj in Lushte village in Mitrovica." The Albanian "was later arrested and held at the police station overnight." Reports confirm that "while in custody, he was subjected to severe physical torture and questioned about the recent incident" that occurred on the night of 16 June in Mitrovica.

It is also reported that a Serbian police patrol "halted" two Albanians in the streets of Shipol quarter in Mitrovica, who "were both on their way home with a sick child" and "beat them up."

Reports say that "other residents of the Mitrovica municipality are reported being reported subjected to physical torture on a daily basis."

KOSOVA DAILY REPORT No. 905 on 21 June says: "The latest incidents which took place last Sunday and Monday [16 and 17 June] evening, have been used as a pretext by the Serbian police to increase their repression against the Albanian population in Mitrovica and Podujeva where the incidents occurred, in spite of the fact that there has been no information in connection with the perpetrators."

Sources in Mitrovica say that "on June 19, five Serbian policemen went at the home of Fatmir S. Habiti in Shipol quarter in Mitrovica" and "arrested his brother Ali Habiti, migrant worker in Italy who had came back home a day before, on 18 June." It is noted that "while under arrest he was questioned about the recent incident at Shipol of Mitrovica." The Albanian reportedly "told the police he had come to his village one day after the incident took place." Despite this, the Serb police "changed the pretext charging him of being in illegal arm possession."

The Serbian police on 17 June raided the home of an Albanian from Mitrovica "in connection with alleged arms possession" and "beat him up in front of family members." Although the police found "no arms," the Albanian was "ordered" to "report at the Serbian police station," where he was "subjected to severe physical torture" on 19 and 20 June.

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